

Annual Summary Number
DUN'S REVIEW

A Weekly Survey of Business Conditions
 in the United States and Canada

1928

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DUN'S REVIEW

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THE YEAR 1927

DUN'S STATISTICAL RECORD

	1927	1926
Bank Clearings	\$555,150,300,000	\$523,772,600,000
Railroad Earnings	6,220,800,000	6,280,550,000
Farm Crops	8,428,626,000	7,793,480,000
Merchandise Exports	4,907,762,000	4,808,600,000
Merchandise Imports	4,204,025,000	4,430,888,000
Excess Mds. Exports	703,737,000	377,772,000
Commercial Failures	520,104,000	409,232,000
Bond Sales (par value)	3,321,545,000	3,029,685,000
Stock Sales (shares)	576,991,000	449,103,000
Pig Iron Output (Tons)	36,232,000	39,070,000
Unfilled Steel Tonnage	3,072,874	3,961,000
Cotton Consumption (bales)	7,472,000	6,686,000
Cotton Exports (bales)	9,708,000	9,058,000
Dun's Price Index	\$102.849	\$187.758

AFTER the preceding great activity, broad in its scope and resulting in the establishment of many new high records, it was not surprising that some contraction in business appeared during 1927. That commercial expansion would continue indefinitely without a check was scarcely to be expected, and such a movement, had it occurred, might conceivably have brought about an unwholesome situation. Conservatism, however, governed most operations and fundamental conditions remained sound, there being an absence of general inflation and commodity prices again fluctuating within comparatively narrow limits. The extreme variation in DUN'S Index Number of wholesale quotations was less than 6 per cent., and the net advance of 3 per cent. was due principally to the rise in numerous farm products. With this development, the financial position of many agriculturists was strengthened, although the widespread inundation of the Mississippi Valley in the Spring caused extensive property damage, curtailed cotton production, and had a somewhat deleterious influence on trade. Subsequent floods in certain other sections, notably in New England, also were a drawback, while unusual vagaries of the weather restricted retail distribution on many occasions, with some consequent accumulation of supplies. Labor troubles were not especially frequent, but there was a protracted strike in the bituminous coal fields that lowered the purchasing power in that region, and reduced outputs at different industrial centers had a similar effect. Considering the handicaps and restraints that were encountered, business displayed gratifying stability during 1927, and its recession was mainly confined to the last half of the year. It was, moreover, a gradual and orderly process in most instances, without general disturbing results, and the increase in failures seems less marked when allowance is made for the elements that tended to augment the mortality. The number of defaults rose to the

highest point in five years, but their ratio to firms and individuals engaged in commercial enterprises was not appreciably above that for 1926.

The principal statistical barometers that measure the rise or fall of trade made some sharply contrasting exhibits in 1927. There was a large gain in this country's surplus of merchandise exports over imports, and bank clearings continued to be notably heavy at many cities, but during the later months of the year decreases from earlier records became more general. In considering this tendency, however, allowance should be made for the preceding pronounced expansion. The contraction in building construction was not surprising, in view of the great magnitude of previous operations, and the diminished railroad freight traffic developed only after a prolonged period of unprecedented movements. Production of both pig iron and steel declined rather abruptly after mid-year, yet it was hardly to be expected that the former high level of activity in that quarter would be maintained indefinitely. The let-down in the automobile industry, which was partly due to hesitation pending the offering of a new model of a leading car in the low-priced field, affected various branches of business and there was a trend toward curtailment of manufacture in some other directions, with a strong disposition to keep outputs closely aligned to actual demands. Some unemployment of workers resulted and isolated instances of wage reductions appeared, but there was the compensating factor of the increased buying power in some agricultural sections. The chief grain crop proved to be of larger size than early estimates had indicated, and their enhanced value was an important sustaining influence in commercial channels.

Keen competition in business again prevailed last year, and this phase was reflected both in narrow profit margins in many quarters and in mergers of different companies. Comparatively few instances were noted where buyers were under pressure to secure supplies, scarcity of stocks being the exception, and there was a practical absence of the urgent bidding for goods that had caused price unsettlement on some former occasions. There has been, in fact, unusual stability in wholesale quotations in recent years, and in other articles than foodstuffs the net change during 1927 was trifling. The slight rise that occurred, moreover, was entirely in the clothing class, and resulted principally from higher markets for raw cotton and cotton goods, and hides and leather. On the other hand, metals, as a group, declined moderately, with particular weakness in pig iron. The largest increases were in breadstuffs and meats, and all foods together gained about 5½ per cent. For all commodities included in DUN'S compilation, the highest level of last year, and a point not previously touched since early in 1926, was

reached on December 1, after five consecutive months of upturn. Comparing with the pre-war basis, an advance of more than 60 per cent. was disclosed, but prices were fully 26 per cent. under the top mark established on May 1, 1920.

The distinguishing feature of the foreign commerce of the United States last year was the sharp rise in the excess of merchandise exports, or in the so-called favorable balance of trade. This amounted to more than \$600,000,000 for eleven months, the latest period for which statistics are available, and was nearly two and one quarter times as large as the surplus for 1926. It resulted chiefly from a reduction in imports, although a sizeable gain in shipments of goods abroad was a contributing factor. Thus, exports for eleven months of 1927 approximated \$4,458,000,000, or about \$150,000,000 more than in the immediately preceding year and a point not previously attained since 1920. In contrast to this exhibit, the imports, at \$3,854,000,000, fell \$217,000,000 below the total for 1926, which was the largest in six years. Combining the exports and the imports, there was a decrease last year of \$100,000,000, but this was a decline of little more than 1 per cent. One of the most interesting features of the movements of individual commodities was the marked expansion in the outgo of cotton, the

eleven months' shipments of this staple being, in quantity, nearly 16 per cent. above those for 1926, and reaching the highest level for a number of years. With the advanced prices, moreover, the value of such exports increased materially.

With a few exceptions, the monetary return from this country's principal crops increased last year. Altogether, the estimated worth of agricultural products, based on December 1 farm prices, was \$8,428,626,000, or about 8 per cent. above the amount officially reported for 1926. Of the leading cereals, wheat alone showed a decrease, due to lower prices, and this was much more than counterbalanced by the rise in most other grains. The value of the cotton harvest, moreover, was appreciably larger, materially higher prices more than offsetting the much curtailed production. Among the interesting developments of the year in agriculture was the recovery made by the corn crop after an unfavorable start. It seemed for a time that a comparatively small yield would result, but improvement in conditions during the Autumn caused an upward revision of earlier calculations, and the final estimate was slightly in excess of that for 1926. In quantity, wheat also gained, but not sufficiently to make up for the reduced prices.

INCREASE IN BUSINESS MORTALITY REPORTED

Larger Number of Failures Last Year, With Sharp Rise in the Indebtedness—Further Reduction in Banking Suspensions

FOR the fourth consecutive year, the number of commercial failures in the United States has risen, the aggregate reported for 1927 being 23,146. This total, which is exclusive of banking and other fiduciary suspensions, compares with 21,773 defaults in the immediately preceding year, 21,214 two years ago, 20,615 in 1924, and 18,718 insolvencies in 1923, which marked the low point since 1920. The increase of about 6 per cent. over the number for 1926 is not strikingly adverse, and it is modified when allowance is made for the larger number of firms and individuals now engaged in business. There is, moreover, a decrease of a little more than 2 per cent. from the high record of 23,676 failures established in 1922.

The percentages of failures to the total number of business concerns in the United States are given herewith:

Years	No. of Failures.	No. of Business Concerns.	Per Cent. of Failures.
1927	23,146	2,171,700	1.07
1926	21,773	2,158,400	1.01
1925	21,214	2,113,300	1.05
1924	20,615	2,047,302	1.01
1923	18,718	1,996,004	.94
1922	23,676	1,983,106	1.19
1921	18,652	1,927,304	1.02
1920	8,881	1,821,409	.49
1919	6,451	1,710,909	.38
1918	9,982	1,708,061	.58
1917	13,855	1,733,225	.80
1916	16,993	1,707,639	.99
1915	22,156	1,674,788	1.32
1914	18,280	1,655,496	1.10
1913	16,037	1,616,517	.99
1912	15,452	1,564,279	.98
1911	13,441	1,525,024	.81
1910	12,652	1,515,143	.80
1909	12,924	1,486,389	.80
1908	15,690	1,447,554	1.08
1907	11,725	1,418,075	.82
1906	10,682	1,392,949	.77
1905	11,520	1,357,455	.85
1904	12,199	1,320,172	.92
1903	12,069	1,281,481	.94
1902	11,615	1,283,172	.93
1901	11,002	1,219,242	.90
1900	10,774	1,174,300	.92
1899	9,837	1,147,595	.81
1898	12,186	1,105,830	1.10
1897	13,851	1,058,521	1.26
1896	15,088	1,151,579	1.31
1895	13,197	1,209,282	1.09
1894	13,885	1,114,174	1.25
1893	15,242	1,168,118	1.28
1892	10,844	1,172,706	.88
1891	12,278	1,142,951	1.07
1890	10,907	1,110,590	.98
1889	10,882	1,051,140	1.04
1888	10,679	1,046,662	1.02

The numerical exhibit for the last year is, relatively, much more satisfactory than the showing as to liabilities, the latter reaching \$520,304,268. This amount contrasts with approximately \$409,200,000 in 1926 and some \$443,700,000 in 1925, the increases over the figures for those years being, roughly, 27 and 18 per cent., respectively. Large though it is, however, the indebtedness for 1927 falls below that for the four years immediately prior to 1925. The highest point ever attained is represented by the \$627,400,000 of 1921, in which year the insolvency returns sharply reflect the economic readjustment which began to gather force in 1920. The statistics for 1919 had been notable, with only 6,451 defaults, involving a little more than \$113,000,000, but in 1921 the number of insolvencies rose to 19,652 and the liabilities, as already shown, were unprecedented in that year.

That the rise in the business mortality last year was practically country-wide is shown by an analysis of the insolvency returns for the different geographical sections. All groups reported more commercial failures and larger liabilities than in 1926, with the single exception of the Western States, where the number of defaults decreased 20.6 per cent. and the indebtedness was smaller by 6.8 per cent. The numerical increase in the Middle Atlantic States was only 0.4 per cent., and in New England it was 2.9 per cent.; elsewhere the increases ranged from 5.8 per cent. in the South Central States to 27.4 per cent. in the South Atlantic States. The latter section had liabilities 53.2 per cent. in excess of those of 1926, but the most pronounced expansion in this respect was one of 71.6 per cent. in the Central West. In the other groups the increases varied from 10.6 per cent. in the Central East to 43.4 per cent. on the Pacific Coast.

Commercial failures by geographical sections are compared herewith for two years:

Section	Number	Liabilities	
		1927	1926
New England	2,465	2,396	\$55,074,657
Middle Atlantic	5,167	5,148	156,560,049
South Atlantic	2,545	1,998	67,830,857
South Central	2,487	2,350	43,805,473
Central East	4,550	4,267	100,544,720
Central West	2,379	2,208	43,690,065
Western	617	777	7,903,243
Pacific	2,938	2,628	44,689,204
Total	23,146	21,773	\$520,104,268
			\$409,232,278

The rise in the business mortality last year, both in number of commercial failures and in amount of liabilities, ex-

COMMERCIAL FAILURES—1927

States	TOTAL 1927		1926		Classified Failures 1927				Banking Failures		
New England	No.	Assets	Liabilities	No.	Liabilities	MANUFACTURING	TRADING	OTHER COM'L	No.	Liabilities	
Maine	197	\$739,403	\$1,905,476	215	\$2,511,363	42	\$321,052	143	\$1,521,150	12	\$63,274
New Hampshire	96	391,236	960,296	86	885,712	23	253,559	70	698,639	3	8,098
Vermont	50	171,409	392,112	43	1,093,804	13	76,996	33	306,216	4	8,900
Massachusetts	1,384	12,201,021	37,779,018	1,368	29,771,370	538	24,376,031	727	10,177,716	119	3,225,271
Connecticut	527	6,893,735	12,152,711	494	10,161,399	162	5,601,953	337	4,306,948	28	2,243,810
Rhode Island	211	577,542	1,885,044	190	3,379,679	60	792,425	137	875,489	14	217,130
Total	2,465	\$20,974,346	\$55,074,657	2,396	\$47,803,327	838	\$31,422,016	1,447	\$17,886,158	180	\$5,766,483
1926	2,396	18,941,577	47,803,327	.....	.....	803	21,182,873	1,440	\$17,098,277	153	8,522,177
Middle Atlantic											
New York	3,245	\$40,037,226	\$97,938,362	3,245	\$67,752,732	1,016	\$46,900,486	2,012	\$28,377,449	220	\$22,655,427
New Jersey	777	11,747,329	29,380,698	742	20,832,228	273	10,879,653	435	7,883,773	69	4,617,272
Pennsylvania	1,142	14,758,487	35,245,989	1,161	33,981,981	245	8,096,032	843	18,558,818	54	7,591,139
Total	5,167	\$75,563,052	\$156,560,049	5,148	\$122,567,941	1,534	\$65,876,171	3,290	\$25,820,040	343	\$34,868,888
1926	5,148	61,258,745	122,567,941	.....	.....	1,443	48,906,078	3,419	55,440,265	286	18,220,998
South Atlantic											
Maryland	384	\$7,799,043	\$13,453,844	277	\$7,983,934	108	\$6,148,032	243	\$5,267,137	33	\$2,038,675
Delaware	26	327,622	2,801,252	19	474,015	8	2,576,720	17	220,532	1	4,000
Dist. Columbia	128	2,107,546	3,785,744	112	1,950,437	40	1,975,644	79	7,116,380	9	93,720
Virginia	338	2,007,507	5,079,436	309	4,182,824	58	1,391,899	267	2,630,197	13	1,057,340
West Virginia	303	5,804,675	8,105,834	338	5,377,837	59	4,240,644	233	3,073,910	11	791,280
North Carolina	325	6,133,193	9,904,891	286	6,951,795	42	2,192,875	275	7,522,304	8	189,112
South Carolina	157	1,516,607	3,173,663	169	3,141,181	11	545,845	144	2,573,218	2	54,000
Georgia	308	3,884,795	6,810,902	301	7,343,128	33	777,204	267	4,717,744	5	1,315,954
Florida	576	7,047,073	14,721,291	189	6,884,507	68	1,355,836	459	2,888,161	49	7,077,294
Total	2,545	\$36,628,061	\$67,836,857	1,998	\$44,279,658	427	\$21,204,690	1,984	\$34,009,583	134	\$12,622,575
1926	1,908	21,265,675	44,279,658	.....	.....	333	14,448,051	1,670	23,553,187	95	6,278,420
South Central											
Kentucky	220	\$2,041,513	\$4,971,867	275	\$4,789,497	46	\$1,745,255	162	\$3,008,639	12	\$217,973
Tennessee	317	5,532,928	7,722,507	214	3,154,582	49	3,170,384	255	2,964,477	13	1,587,646
Alabama	286	8,065,049	3,925,260	230	3,212,234	25	1,775,239	254	2,102,221	7	47,800
Mississippi	187	1,200,542	2,327,337	131	1,946,428	9	169,292	178	2,158,045	5	105,000
Arkansas	297	2,779,908	5,475,541	247	7,182,992	41	650,983	247	4,608,355	9	216,203
Oklahoma	393	2,508,141	4,488,506	406	4,291,268	25	234,068	362	4,003,925	6	245,514
Louisiana	128	1,118,457	2,538,912	177	3,835,181	16	246,180	108	2,272,891	4	20,041
Texas	659	5,106,579	12,360,543	727	10,118,104	53	3,240,728	594	9,900,662	12	119,153
Total	2,487	\$22,153,717	\$43,805,473	2,350	\$38,486,286	264	\$10,332,129	2,160	\$31,019,015	63	\$2,454,329
1926	2,350	18,758,166	38,486,286	.....	.....	247	7,875,618	2,052	29,494,505	51	1,116,163
Central East											
Ohio	1,251	\$22,021,125	\$34,456,716	1,229	\$25,286,997	358	\$20,589,325	632	\$10,225,554	61	\$3,641,837
Indiana	610	7,740,097	10,183,639	584	11,057,442	191	5,971,644	389	9,584,842	30	1,507,153
Illinois	1,356	14,274,449	31,104,830	1,328	27,974,313	304	10,820,233	965	15,546,247	87	4,738,350
Michigan	795	5,655,161	10,372,914	643	18,770,873	157	3,515,011	590	6,336,719	39	521,184
Wisconsin	538	4,820,017	8,446,621	503	7,805,308	167	4,290,200	329	3,824,565	42	531,847
Total	4,550	\$54,496,849	\$100,544,720	4,267	\$90,904,433	1,177	\$44,286,422	3,114	\$45,317,927	259	\$10,940,371
1926	4,267	53,257,051	90,904,433	.....	.....	1,183	44,263,388	2,873	35,993,319	211	10,647,726
Central West											
Minnesota	760	\$3,385,397	\$8,855,068	788	\$7,547,022	196	\$3,234,262	499	\$4,788,064	65	\$832,742
Iowa	308	2,024,751	4,317,794	329	4,949,819	52	613,766	245	3,287,290	11	416,738
Missouri	718	14,178,122	22,992,920	616	6,881,193	138	13,700,425	542	6,880,059	38	2,412,436
North Dakota	68	655,342	1,260,831	60	944,126	5	344,600	61	7,167,228	3	946,363
South Dakota	76	594,978	1,176,524	62	905,857	2	810,000	72	1,163,214	2	10,600
Nebraska	248	1,427,703	2,631,808	169	2,162,257	32	303,386	119	2,158,287	17	171,230
Kansas	200	1,388,385	2,455,025	184	2,135,808	18	235,593	172	2,072,552	10	158,880
Total	2,379	\$23,651,681	\$43,690,065	2,208	\$25,465,942	448	\$18,422,032	1,790	\$21,166,404	146	\$4,101,629
1926	2,208	11,608,843	25,465,942	.....	.....	485	7,414,984	1,586	16,684,443	187	1,366,515
Western											
Montana	125	\$534,177	\$974,488	173	\$1,231,019	29	\$168,295	88	\$767,749	8	\$38,444
Idaho	76	599,318	595,778	93	828,075	8	43,211	63	528,351	5	24,216
Wyoming	49	219,242	402,852	55	548,418	8	88,729	40	309,123	1	235,000
Colorado	162	2,334,069	3,201,582	234	3,275,233	18	320,251	141	2,518,841	3	362,490
New Mexico	27	650,118	1,095,468	30	450,356	1	30,000	23	799,768	3	265,700
Arizona	25	249,790	377,304	26	362,283	2	43,764	22	308,640	1	24,900
Utah	137	793,549	1,168,439	155	1,700,282	15	183,876	118	1,004,363	4	25,200
Nevada	16	36,265	87,332	11	87,056	3	19,500	11	60,332	2	7,500
Total	617	\$5,416,517	\$7,903,243	777	\$8,482,722	84	\$832,626	506	\$6,297,167	27	\$753,450
1926	777	4,080,545	8,482,722	.....	.....	102	1,926,996	636	6,295,303	39	260,423
Pacific											
Washington	605	\$3,798,235	\$10,088,793	483	\$5,855,019	175	\$4,964,149	407	\$4,942,616	23	\$182,028
Oregon	540	3,503,972	8,122,953	505	6,119,851	181	3,735,595	321	3,170,719	38	1,216,639
California	1,791	10,610,203	26,477,458	1,641	19,267,09	559	10,408,987	1,063	8,564,769	169	7,503,679
Total	2,936	\$17,852,410	\$44,689,204	2,629	\$31,241,969	915	\$19,108,781	1,791	\$16,678,127	230	\$8,902,346
1926	2,629	13,143,883	31,241,969	.....	.....	799	12,023,428	1,692	15,774,674	138	3,443,867
UNITED STATES											
Total	23,146	\$256,739,633	\$520,104,268	21,773	\$409,232,278	5,682	\$211,504,826	16,082	\$228,194,421	1,382	\$80,405,021
1926	21,773	202,345,485	409,232,278	.....	.....	5,395	158,042,016	15,268	201,333,973	1,110	49,856,289
308	\$143,449,246	608	212,074,999								

tended to manufacturers, traders, and agents, brokers, etc. The latter classification makes the most unsatisfactory exhibit, with a large numerical increase and a marked expansion in the indebtedness; relatively the best showing is that of the trading division, although the liabilities for that group increased considerably. Among manufacturers the indebtedness rose sharply.

The number and liabilities of commercial failures in the United States, by classes, are given herewith for two years:

Class	1927	1926	Number	Liabilities
Manufacturing	5,682	5,395	521,504,826	\$158,042,016
Trading	16,082	15,268	228,194,421	201,333,973
Agents, Brokers, etc.	1,382	1,110	80,405,021	49,856,289
Total Commercial	23,146	21,773	\$520,104,268	\$409,232,278

An analysis of the quarterly statistics for 1927 shows that the lowest commercial mortality, as usually is the case, was reported during the third quarter. The first quarter had

Period	1927	1926	Number	Liabilities
First Quarter	6,643	6,081	\$156,121,853	\$108,450,330
Second Quarter	5,653	5,395	125,403,665	101,438,162
Third Quarter	5,037	4,635	115,132,052	87,799,486
Fourth Quarter	5,813	5,662	123,444,698	111,544,291
Year	23,146	21,773	\$520,104,268	\$409,232,278

Geographical Analysis of Failures
The 2,465 commercial failures in New England during the year recently ended compare with 2,396 similar defaults in

1926, while last year's liabilities of about \$55,075,000 contrast with \$47,803,000 in the earlier period. It thus appears that there was an increase of only 69 insolvencies in this geographical section in 1927, whereas the indebtedness was larger by fully \$7,000,000. The adverse showing in the latter respect was accounted for by increases of \$8,000,000 and approximately \$2,000,000 in Massachusetts and Connecticut, respectively, these changes much more than offsetting sizable reductions in Rhode Island, Vermont and Maine. In New Hampshire the liabilities rose moderately. The only decrease in the number of failures was one of 18 in Maine, while the largest increase was one of 33 in Connecticut.

Only a small rise in the number of commercial defaults in the Middle Atlantic States occurred during 1927, but the indebtedness increased sharply. Thus, last year's 5,167 insolvencies in this geographical group, involving some \$156,560,000, compare with 5,148 failures in 1926, when the liabilities approximated \$122,568,000. The increase of only 19 in the number of defaults is a favorable exhibit, considering the larger total of firms and individuals engaged in business; in contrast, the increase of nearly \$34,000,000 in the indebtedness is distinctly adverse. Each of the three States in this section had larger liabilities last year than in 1926, but only in New York State, where the amount increased by fully \$30,000,000, was there any marked change. In that State, the number of insolvencies was practically the same for both years, while an increase of 35 in New Jersey was partially offset by a decrease of 19 in Pennsylvania.

The sharply increased business mortality in the South Atlantic States during the year recently ended is shown by the 2,545 commercial failures for an indebtedness of about \$67,897,000, comparing with 1,998 defaults, involving \$44,280,000, in 1926. Hence, the rise in the number of insolvencies last year was 547 and the increase in the indebtedness approximated \$23,600,000. The returns for Florida make the most unfavorable exhibit, with 387 more failures last year and liabilities larger by fully \$7,800,000, and the amount for Maryland rose almost \$5,500,000. Marked increases in the indebtedness also occurred in Delaware, District of Columbia, West Virginia and North Carolina, while the only decrease—some \$630,000—was reported by Georgia. Numerically, reductions were limited to West Virginia and South Carolina, totaling 33 and 12, respectively; the largest increase was one of 107 in Maryland.

Insolvency statistics for the South Central section for the year 1927 reveal an increase of 137 commercial defaults and a rise of about \$5,300,000 in the liabilities over the totals for 1926. Thus, failures in this geographical group last year numbered 2,487 and involved approximately \$43,805,000, contrasting with 2,350 insolvencies in 1926, when the indebtedness was \$38,486,000. Favorable comparisons as to number of insolvencies are made by the returns for Kentucky, Oklahoma and Texas, with reductions of 55, 13 and 68, respectively; but Tennessee reported 103 more defaults than in 1926, and increases of 50 or more, in each case, occurred in Alabama, Mississippi and Arkansas. Two of the eight States included in this geographical section had smaller liabilities last year, these being Arkansas and Louisiana; yet in Tennessee alone the amount was larger by fully \$4,500,000, and in Texas by more than \$2,200,000.

In common with the trend in most other sections of the country, the business mortality in the Central East increased last year. This is reflected in the 4,550 commercial failures in this geographical group, with an indebtedness of about \$100,544,000, these totals comparing with 4,267 insolvencies, involving \$90,904,000, in 1926. It thus is shown that there were 283 more defaults last year and fully \$9,600,000 more of liabilities than in the immediately preceding year. Numerical increases were reported for each of the five States, ranging from 22 in Ohio to 152 in Michigan; yet the latter State, despite the larger number of failures, had an indebtedness smaller by nearly \$8,400,000 than that of 1926. This marked reduction, however, was far more than offset by the increases of \$9,000,000 in Ohio, \$5,000,000 in Indiana, \$3,000,000 in Illinois and approximately \$600,000 in Wisconsin.

The higher commercial mortality in the Central West during 1927 is disclosed by the 2,379 insolvencies, exclusive of banking suspensions, for \$43,690,000 of liabilities, comparing with 2,208 defaults, involving \$25,466,000, in the immediately preceding year. There was, therefore, an increase of 171 failures in this section last year and a rise of more than \$18,000,000 in the indebtedness. Fewer insolvencies occurred in Minnesota and Iowa, the decreases being 28 and 21, respectively; but these reductions were much more than offset by the increases in other States, the largest of which were 102 in Missouri and 79 in Kansas. The only contraction in the liabilities was in Iowa, approximating \$600,000; the outstanding increase was one of fully \$16,000,000 in Missouri. Almost 50 per cent. of the increase was supplied by two defaults of unusual size, which occurred late in the year.

The distinctly favorable insolvency exhibit for the Western section is reflected in the 617 commercial failures, with liabilities of about \$7,903,000, during the past year, contrasting with 777 similar defaults for \$8,483,000 in 1926. It thus appears that the number of insolvencies last year was smaller by 160, while the indebtedness fell off \$580,000. Fewer failures occurred in all States except Nevada, the largest decreases being 72 in Colorado, 48 in Montana, 18 in Utah and 17 in Idaho. In Nevada, there was an increase of only 5 defaults. That State reported practically no change in the liabilities, and the higher totals for Arizona and New Mexico, particularly for the latter State, were considerably more than offset by the reductions elsewhere. The decreases were especially marked in Montana, Idaho and Wyoming.

An appreciably higher business mortality on the Pacific Coast last year is revealed by the 2,936 commercial failures for \$44,689,000 of liabilities, these totals comparing with 2,629 defaults in 1926, involving \$31,242,000. Hence, the number of insolvencies during the year recently ended was larger by 307, while the indebtedness increased more than \$13,600,000. Each of the three States in this geographical section reported more failures last year, there being an increase of 122 in Washington, 35 in Oregon and 150 in California. Similarly, all three States had heavier liabilities, there being an increase of about \$7,200,000 in California, \$4,200,000 in Washington and \$2,000,000 in Oregon.

It was expected that the number of commercial failures in December, following the seasonal trend, would show an increase (Continued on page 22)

QUARTERLY STATEMENTS OF FAILURES AND AVERAGE OF LIABILITIES

FIRST QUARTER			SECOND QUARTER			THIRD QUARTER			FOURTH QUARTER			TOTAL FOR THE YEAR			
No. Years	Amount of Failures	Average Liabilities	No. Failures	Amount of Liabilities	Average Liabilities	No. Failures	Amount of Liabilities	Average Liabilities	No. Failures	Amount of Liabilities	Average Liabilities	No. Failures	Amount of Liabilities	Average Liabilities	
1907..	3,136	\$32,075,591	\$10,228	2,471	\$37,493,071	\$15,173	2,483	\$46,675,686	\$18,714	3,635	\$81,348,877	\$22,379	11,725	\$197,385,225	\$16,834
1908..	4,909	75,706,191	15,422	3,800	48,668,642	12,805	3,457	55,302,690	15,199	3,524	42,638,161	12,099	15,690	222,315,684	14,196
1909..	3,850	44,460,950	11,548	2,981	44,080,423	14,787	2,836	29,094,498	10,259	3,257	36,967,594	11,350	12,924	154,603,465	11,963
1910..	3,525	73,079,154	20,732	2,863	39,160,152	13,678	3,011	42,177,998	14,008	3,253	47,339,793	14,552	12,652	201,757,097	15,947
1911..	3,985	59,651,761	14,969	3,076	44,046,590	14,319	2,880	35,167,269	12,211	3,600	52,196,045	14,918	13,441	191,061,665	14,215
1912..	4,825	63,012,323	13,051	3,489	44,999,900	12,898	3,499	45,532,187	13,013	3,636	49,573,031	13,634	15,452	203,117,391	13,145
1913..	4,458	76,832,277	17,235	3,705	56,076,784	15,135	3,549	63,837,315	17,987	4,325	75,925,912	17,555	16,037	272,672,288	17,003
1914..	4,826	83,221,826	17,265	3,717	101,877,904	27,410	4,298	86,818,291	20,200	5,438	85,990,838	15,810	18,280	357,908,859	19,579
1915..	7,216	105,703,355	14,648	5,524	82,884,200	15,004	4,548	52,876,525	11,628	4,868	60,822,068	12,494	22,150	302,286,148	13,644
1916..	5,587	61,492,746	11,418	4,108	49,748,675	12,110	3,755	43,345,286	11,543	3,743	41,625,549	11,120	16,993	196,212,256	11,547
1917..	5,300	49,780,300	15,085	3,553	42,414,257	11,944	3,240	47,228,682	14,530	3,118	46,041,533	12,980	13,885	182,441,374	13,168
1918..	1,300	29,780,300	15,085	2,289	88,941,200	12,023	2,180	85,161,480	13,130	1,918	40,044,959	10,988	8,087	104,197,070	10,648
1919..	1,904	35,821,052	18,813	1,559	29,860,834	21,096	1,523	20,238,222	14,223	1,595	24,344,599	15,366	6,451	113,291,237	12,561
1920..	1,627	29,702,499	18,256	1,725	57,041,377	33,067	2,031	79,833,595	39,308	3,498	128,544,334	36,747	8,881	205,121,805	33,220
1921..	4,872	180,397,989	37,038	4,163	130,273,615	31,293	4,472	122,699,399	27,440	6,145	194,030,880	31,575	19,652	627,401,883	31,926
1922..	7,517	218,012,365	29,002	5,867	155,703,973	26,538	5,033	117,198,157	23,285	5,259	132,981,756	25,285	23,676	623,894,251	26,351
1923..	5,316	138,231,574	26,002	4,408	121,192,494	27,493	3,776	98,754,559	26,153	5,219	181,208,179	34,728	18,716	539,388,806	28,816
1924..	5,655	184,865,571	32,691	5,130	119,594,388	23,313	4,441	126,263,495	28,431	5,380	112,501,095	20,876	20,615	543,225,449	26,351
1925..	5,965	128,481,780	25,451	110,916,670	20,348	4,663	102,351,371	21,925	5,131	101,994,451	19,879	21,214	443,744,272	20,918	
1926..	6,081	108,450,939	17,836	5,395	101,428,162	18,802	4,635	87,799,486	18,943	5,662	111,544,291	19,701	21,773	409,232,278	18,795
1927..	6,643	156,121,853	23,502	5,653	125,405,665	22,184	5,037	115,132,052	22,857	5,813	123,444,698	21,236	520,104,268	22,471	

DUN'S STATISTICAL RECORD		
Latest Week:	1928	1927
Bank Clearings.....	\$12,402,300,000	\$9,428,140,000
Crude Oil Output (barrels)	2,379,050	2,359,850
Freight Car Loadings...	679,600	734,281
Failures (number).....	628	581
Commodity Price Advances	50	43
Commodity Price Declines.	32	29
Latest Month:	1927	1926
Merchandise Exports.....	\$461,000,000	\$480,300,000
Merchandise Imports.....	345,000,000	373,881,000
Building Permits.....	185,492,500	288,244,300
Pig Iron Output (tons)...	2,695,755	3,091,060
Unfilled Steel Tonnage....	3,972,874	3,960,969
Cotton Exports (bales).....	999,501	1,486,224
*Cotton Consumption (bales)	625,680	583,746
Dun's Price Index	\$192,849	\$187,758
Failures (number).....	2,162	2,069

† Daily average production.
* Domestic mill consumption.

THE WEEK

NO rapid or general acceleration of business in the first half of January having been expected, the gradual and uneven gains that have occurred have not proved disappointing. Experience has demonstrated that a revival from the normal year-end contraction of activity seldom comes suddenly, and almost never in all quarters simultaneously, and in the present instance no departure from the usual trend was to be anticipated. The constructive forces upon which confidence in the outlook is based have not been lessened, however, and recent periods of weakness in the stock market have not resulted from any fundamental change in commercial channels. On the contrary, certain developments, notably the sharp increase in the unfilled tonnage of the principal steel producer and the rising scale of mill operations, have further strengthened trade prospects, as a whole. The progressive recovery in the great basic industry is, in itself, a tangible reason for encouragement, and it is supported by other favorable tendencies, prominent among which is the broader interest being manifested in probable future needs in various lines. Few cases are noted where urgent purchasing is necessary, yet there is a larger attendance of buyers in the leading centers, especially in the textile field, and this is indicative of a desire to make provision against forward requirements. Current price movements, in the main, do not strongly favor sellers, but a striking exception to this condition appears in hides and leather, where there has been an unusual advance in quotations. Chiefly because of this situation, DUN's list again reveals an excess of price increases, but no general widening of profit margins has occurred, business in many instances remaining highly competitive. Economies in production and distribution are being effected wherever possible, and earnings of important corporations, if not up to the previous maximum, continue to be of substantial size, with exceptionally heavy dividend disbursements. The expansion in securities markets, both in volume of trading and rise of prices, is reflected in the present high level of bank loans, and some tightening of money rates has resulted, despite additional imports of gold.

After last week's notable activity, with daily sales averaging about 3,000,000 shares, trading in the stock market subsided considerably this week. Moreover, prices developed increased irregularity and on occasions were rather sharply lower, apparently reflecting, in part, the firmness in money rates. There was a definite hardening in quotations for time funds, while the charge for call loans was held at 4½ per cent. early in the week, although a recession from that level subsequently occurred. The movement in the foreign exchanges was mainly in an upward direction, and the prevailing rate for sterling is about 2c. higher than that a year ago. The current quotation is, however, still below the point at which gold exports from New York to London would be profitable, whereas nearly \$10,000,000 of the yellow metal came in from Canada this week, the Canadian dollar remaining at a discount.

The excess of advances in DUN's list of wholesale quotations is less marked this week than that of last week, yet 50 of the total of 82 changes in the current compilation are in an upward direction. This compares with 40 increases out of an aggregate of 56 alterations last week, while 43 out of 72 revisions a year ago were toward higher levels. The present movement of prices, as has been previously indicated, is featured by notable strength in hide markets, with all published quotations showing further advances. Several increases also occurred in steel prices, but some easing developed in cotton goods, partly because of the lower basis reached by the raw material. The price for that staple, however, is about 6c. per pound, or \$30 a bale, above the quotation at this time last year, while an average price for wool is up approximately 6c. The trend in breadstuffs this week was irregular, but corn gained a few cents and is approximately 16c. above the price on the corresponding date of 1927.

In most respects, news from the steel industry this week was the best that has appeared for a long time. The gain of more than 518,000 tons reported by the leading producer early in the week was supplemented by evidence of a larger demand in some lines and a general recovery in mill operations. The latter now approximate 75 per cent. in the Pittsburgh territory, which represents a rise of about 15 points over the low level touched last March. A sustained demand from railroads for various forms of equipment has been one of the chief supporting factors in the markets, while structural steel awards have continued to be of substantial volume, and automobile makers are showing a disposition to buy more freely. In the matter of prices, however, steel manufacturers experience difficulty in establishing a more profitable basis, although some advances have been named at Pittsburgh and Chicago. Almost generally, prevailing quotations are below those of a year ago, and a similar situation exists in pig iron. A composite price for the latter material, although up a little this week, is at the lowest point recorded in recent years.

The large attendance of buyers in the principal dry goods markets has been a feature, and prospects in most sections of the country are viewed with confidence. Operations thus far in the new year have been moderate in individual instances, but more interest is being shown in probable needs for the future. Openings of lines of merchandise for both the Spring and Fall seasons have attracted attention, while clearance sales in retail channels have been well patronized. With Easter coming early this year, there is an expectation in garment circles of something of a rush for supplies that have not yet been ordered. Meantime, price movements in textiles have continued to be irregular, with some easing in the cotton goods division. That trend was accounted for, in part, by an unsettled market for the raw material, but wool has risen in price and remains substantially above the level of a year ago.

All other commodity price-movements have been overshadowed by the noteworthy advance in hides. For still another week, the markets have been buoyant, with practically general increases in quotations, and the rise is the more striking because of the fact that current take-off is of poorer quality. Offerings, however, are limited, in the main, and buyers are eager to obtain such supplies as are available. The exceptional strength in hides and skins is being reflected more sharply each week in the leather trade, where actual selling prices have been advanced again. Similarly, its influence extends to the shoe industry, and in this quarter Spring demands are expected to develop promptly. Some factories received more orders soon after the turn of the year, and the large numbers of buyers that have attended recent style shows is regarded as indicating an early expansion of business.

GENERAL BUSINESS CONDITIONS

Eastern States

BOSTON.—Unseasonable weather has had a retarding influence on many lines, but business still continues in considerable volume. During the week several large cotton mills have posted wage reductions of 10 per cent. Declining prices of the raw material have restrained purchasing of the finished goods. Prices of the fine goods have been maintained, but the other numbers, as a rule, have been reduced, and while some mills are curtailing, others are resuming more active operations. Cotton yarn prices are steady, but thus far this year there has not been a large volume of orders. The mills have been taking quite large supplies of wool, and consumption for the first eleven months of last year was 11 per cent. greater than it was for the same months of 1926. Surplus stocks, either of wool or finished goods, do not seem large, and there is a more active demand for goods in sight from the cutting trades. Prices in all markets are firm. Carpet wools still are slow. Yarn stocks are moderate. Prices are tending upward, and spinners are receiving a fair amount of orders.

Prices of leather have advanced about 35 per cent. during the past year, and they still are tending upward, as hide prices are again advancing. Shoe quotations are on the up-grade, and the present outlook encouraged preparations for full-time operations as the season advances. Larger contracts for chemical supplies in most instances are announced. Dyestuffs and tanning materials are firm, and are moving in moderate volume. Jobbers of jewelry and silverware are a little behind on their sales for last year. The Spring was disappointing, but the holiday sales brought the total of the large Boston stores over last year's sales, and the New England department stores for January to December reported a gain of 11 per cent. Candy manufacturers had a poor year, and sales at the present time are quiet. Automobile jobbers report a slow business on chains, heaters and anti-freeze mixtures. Radio sets, except those electrically equipped, are moving slowly, and considerable price reductions are being made in A and B battery eliminators. Grain exports from Boston last year showed a reduction. Total imports for 1927 amounted to \$285,805,000, as compared with \$305,879,000 in 1926.

NEWARK.—Sales in the retail trade continue about normal for the season, comparing favorably with those of previous years, and the outlook generally is regarded as promising. Retailers' stocks, on the average, are rather low and buying to restock is looked forward to by the manufacturers. Clothing and Winter wearing apparel continue in demand, and the movement of household goods, furniture and furnishings, is aided somewhat by the usual January clearance sales. The demand for radio sets, parts and accessories, continues fair, as does the demand for electrical appliances in general.

In the manufacturing division, some manufacturers report an increase in the number of orders received, while others still are experiencing the usual quiet coincident to the season. The general feeling among manufacturers, however, is more favorable than it was last year, as they rather anticipate that the cautious buying of the trade in general for the past few months, and the good volume of holiday business done by merchants will result in new orders to replenish lowered supplies. Lumber and building material are in somewhat lessened demand, but this is regarded as seasonal and temporary.

PHILADELPHIA.—The new year has started with a slightly firmer tone to trade, and there is a more cheerful feeling that business will improve. Prices, as a rule, are expected to be maintained, and there appears to be a sufficient amount of merchandise available to fill all immediate orders. Retailers, however, have shown a rather listless attitude in planning Spring business, and orders received thus far are hardly up to expectations. Distributors of agricultural implements, hardware and supplies report a much improved tone within the last two months, and the volume of business also has improved somewhat. The millinery business is unusually quiet.

Retailers of radio have experienced a fair but rather

uncertain year. The coming of the electric set was somewhat unexpected, upsetting the plans of the majority of both large and small manufacturers. This disturbance was felt throughout the whole field. Lately, there have been several price changes by large radio manufacturers, and these also have tended to affect the equilibrium of selling conditions. However, the market still is holding up in good fashion.

Manufacturers of shoes find that business is fair, considering general conditions. Orders are coming in fairly good, but prices are extremely high. Business with some manufacturers of dresses showed a substantial net increase during 1927. Most merchants had good business in children's dresses all year and the Christmas trade was particularly good, leaving stocks quite low. The output for furniture factories during 1927 was unusually large.

The wool business is about the same as it was during the last few months, with prices continuing firm. The leather manufacturing business is fair for this time of the year, but collections are very poor. The lumber trade is somewhat quiet, the requirements for material having been reduced greatly on account of the weather. There has been a slight decrease in the building industry within the last year, the decline being around 5 per cent. Prices are slightly lower, due to keen competition. In the iron and steel trades, there has been some little advance and a considerable stiffening in prices during the last few weeks.

PITTSBURGH.—Retail trade continues in fair volume with the larger stores, as clearance sales at reduced prices have stimulated business to a considerable extent. Mild weather is handicapping trade in seasonable lines. Jobbing business, as a whole, is rather inactive, buying being in small amounts for current needs. Dry goods, clothing, shoes and rubber footwear are all dull at present. Leather is firm and prices show a rising tendency, which jobbers expect will result in higher prices for shoes. There is not much activity in lumber and building material at this time. Residential building is higher, although construction of several large office buildings, hotels and apartments will amount to quite a large sum during the year. Jewelry trade is seasonably quiet, and not much improvement is expected before March. Groceries, provisions and confectionery are dull.

There is a greater activity in industrial operations, particularly with steel plants, orders showing considerable increase. As automobile producers increase their output, buying from that source is expected to improve materially. Buying of window and plate glass is light, although automobile demand for the latter is growing. Electrical equipment lines are rather quiet, while radio equipment still is quite active. Reductions in prices have been announced on several well-known makes of receiving sets. Sanitary and heating equipment are fairly active for the season. Oil production dropped very materially last week.

Not much improvement is noted in the bituminous coal market. The largest producer announced a reduction in wages this week, and independent producers in the coke district also have announced reductions. Production is more than ample for current demand, and prices are unsatisfactory to producers. Quotations are as follows: Steam coal, \$1.40 to \$1.90; coking coal, \$1.50 to \$1.75; gas coal, \$1.75 to \$1.90; steam slack, 75c. to \$1; gas slack, \$1 to \$1.25, and domestic sizes, \$2.50 to \$2.75.

BUFFALO.—The usual reaction following the holiday trade has been in evidence. This may, in part, be due to a waiting attitude on the part of the consumer for clearance sales. Thus far, however, there have been fewer clearance sales than usual at this season of the year, due, perhaps, largely to the fact that merchandise has been cleaned up and the mills have not been in a position to supply merchandise at any great reduction in price. The merchandise shown at clearance prices is mostly left-overs, in which lines merchants are anxious to clear their shelves for Spring merchandise. The wholesale trade reports buyers in fewer number than in former years, but road

orders have been placed for substantial amounts, indicating a feeling of confidence in the minds of the retailer whose stocks are fairly well depleted, and find it necessary, in some cases, to duplicate on rush orders.

Rubber footwear has been favored especially by weather conditions and sales have been active. Jobbers in shoes report business as comparing favorably with that of one year ago. The clothing business is well employed on orders booked for Spring, and retailers are doing a normal business. Prices are being well maintained. Knit goods manufacturers have had a satisfactory season. Retail jewelry has been moving well, and manufacturers and jobbers report a substantial business in sight for Spring. Hardware is in normal demand. Furniture and house furnishings are in fair demand for this season of the year. The new year appears to be starting in under favorable conditions, and merchants generally are looking forward to an active Spring business. The conditions in the nearby country districts are regarded as favorable, the farmer having had a successful year.

Southern States

ST. LOUIS.—The new year opened with a good demand for merchandise for January sales. More merchants have been in the market than at this same period a year ago, and the number of orders received was in excess of last week's total, but just about on a par with that for the corresponding period last year. Weather conditions have helped retailers to move many lines of Winter goods, and with clearance sales now on, the volume of retail trade is pronounced fairly satisfactory. The general opinion is that there will be a good demand for merchandise from now on. A number of constructive facts are to bring business back to a normal stride, the most important of which is the assurance of small stocks of unsold merchandise. The hand-to-mouth buying by distributors forced upon manufacturers a policy of manufacturing largely to order. The result of this subnormal activity is that shelves are clean and replacement demands for merchandise cannot be much longer delayed.

With the turn in the year, there has been renewed activity in the motor-car industry and in rail equipment; the increased demand is already being felt. To offset diminished payrolls in industrial centers, there is the addition of several hundred million dollars to the agricultural purchasing power of the nation.

The flour trade is recovering slowly from the dulness experienced during the holiday season. There is more small-lot business from buyers who let stocks run down and calling for quick shipping instructions. There is a better run of shipping instructions on old contracts and some millers report new business of satisfactory volume. Production is holding up to a seasonable average, mills running to about 55 per cent. of capacity.

BALTIMORE.—Although business generally continues somewhat quiet, most basic industries are giving unmistakable evidences of betterment. Improvement is most noticeable in the steel industry, and current operations are on a 95 per cent. basis. Rolling mills also are increasing output, and running at 85 per cent. of capacity. Railway equipment houses report not only brisk inquiries, but also some substantial buying for Spring delivery. Manufacturers of electrical apparatus are running on a 75 per cent. basis, which is slightly subnormal for the season. Machinery houses report that early 1928 buying is hardly up to expectations. The building line still is lagging, but plans just released foreshadow early resumption of construction activities, and operations will be featured by a large municipal program, plant extensions and the erection of large apartment houses. This renewal of construction work is expected to stimulate the demand for building materials and also to absorb idle labor in the building trades.

Automobile distributors report business to be quiet. Competition continues keen, and further price slashing is anticipated early in the year. Furthermore, the threatened advance in crude rubber will undoubtedly enact no unimportant rôle in the situation. The registration of motor vehicles in this State on December 31 totaled 287,429. Bituminous output in Maryland last week declined, and wages still are somewhat unsettled. Mail order houses are transacting an

active business, and local chain-store systems report an average increase of 15 per cent. in their 1927 turnover. On the other hand, local dairy companies sustained a substantial loss in their 1927 net earnings, owing chiefly to the cool temperatures of last Summer. At present, local ship-building companies are busy with reconditioning and repair work, but few new units are under construction. A slight betterment in the meat-packing industry and local plants are running close to capacity, while there is improved buying in the South. The oil industry continues in a chaotic condition, overproduction being still the root of the trouble.

Despite some improvement in the clothing industry, current trade is not very satisfactory. Houses specializing in men's furnishings report a post-holiday lull and special reduction sales are being conducted to stimulate buying. The furniture line still is lagging, but bedding supplies are moving well, and there still is a good demand for rugs and other floor coverings. Interior decorations are selling better than they did last month. Acids and chemicals are in good demand and local plants are running on a 100 per cent. basis. Umbrella manufacturers report a decline when the present status is compared to the situation of a year ago. Wholesale millinery business is rather inactive. Footwear trade is hardly as satisfactory as it was a week ago, but the outlook in the fertilizer line is more encouraging than it was at the outset of 1927, due to the fact that the farmer is believed to be in a better financial condition than he was a year ago. Paper-box manufacturers are transacting a subnormal business.

Maryland leaf tobacco receipts for the week total 63 hogsheads, against sales of 49 hogsheads, and prices continue to hold firm. Livestock market is quiet at unchanged prices. Grain arrivals are about the seasonal normal, but prices reflect a weakness in sympathy with Western quotations. Canned foods are still moving spasmodically, but market prices continue generally unchanged. Of the three great staples, tomatoes, corn and peas, the first still is weak, but corn is working into a stronger position, owing to a short pack, and peas also have improved their condition. There have been no material changes in butter prices. Receipts increased, but the demand absorbed all offerings. Eggs are now showing more firmness. Fresh laid eggs continue in good demand, and the storage variety also has been moving well. Live poultry market has improved since the holidays. More active buying has advanced quotations of old hens and young chickens, including springers and broilers. Dressed poultry also is selling well. Fresh vegetables are moving better than they did a week ago. White and sweet potatoes and eggplants are somewhat stronger, but celery, cauliflower, peas and tomatoes are slightly off in price.

Western States

CHICAGO.—Chicago wholesalers have emerged from the dull holiday period with an excellent volume of early Spring business. Orders by retailers are reported particularly good in the wholesale dry goods and women's wear lines. The presence of 9,000 retailers at the shoe convention this week has resulted in a large volume of orders for the Chicago shoe manufacturers and wholesalers. Registration at the furniture mart broke all records for one day on Monday, with 1,500 buyers' names recorded. Orders are reported as good.

Retail business is in good volume, with clearance and January white goods sales the feature. Building permits for the first ten days of January were rather sharply below those for the like period of 1927, both as to value and number. Earnings of a local corset manufacturing firm for 1927 were reported ahead of the 1926 total, with present business and outlook excellent.

The packers reported a better demand for pork products and smoked meats, with foreign business moderately good. The livestock markets were irregular, cattle opening steady to 15c. lower on Monday. Steers firmed a little in the later trading. Hogs gained 10c. to 15c. at the opening, but trading turned dull the next day.

Butter was easy and eggs higher on the local mercantile exchange. Packer hides were strong, with talk of a further advance in prices. The wholesale coal market opened a little better than was expected, particularly for the smokeless grades. A fair retail demand for anthracite and coke was reported, but the unusually mild weather

was against any heavy movement of coal. The demand for building material was better, with deliveries of brick and concrete aggregates showing marked improvement.

CINCINNATI.—There were no outstanding developments in the general trade movement during the week. Seasonal restraints are still evident in a number of instances and curtailment to a greater or lesser degree still marks the operations of industrial and commercial enterprises. Favorable factors predominating are low inventories, generally steady prices and easy money conditions. A good attendance of buyers is reported in the Grand Rapids furniture market, and local exhibitors are receiving a fair amount of business. There still is a rather quiet tone to trade, but with prices at a low point, and the possibility of a slight upward turn. Irregular conditions continue to prevail in the machinery and machine tool lines. There is a lack of sustained buying, and pending orders are slow in closing. Demand for factory supplies is in line with the level of industrial operations, but inquiries give promise of a change for the better.

CLEVELAND.—A cold snap in the weather, which stimulated the sale of Winter clothing, was followed by a week of warm weather, resulting in a retarded condition in trade in those lines, but contrariwise, having a stimulating effect on novelties and semi-luxuries. More general conditions through the Midwinter weeks show a somewhat varied situation existing in different lines. Wholesalers report small decreases in the volume of business done in drugs, hardware, dry goods, shoes and groceries, when compared with the record last year, but drugs and groceries were slightly ahead of the total of 1926. Women's dresses, men's furnishings and clothing, furs, millinery, furniture, silks and velvets, draperies and children's wear registered slight decreases, but women's coats, misses' ready-to-wear, hosiery and floor coverings showed some gain. Gains also are reported in the retail jewelry, umbrella, women's suits, house dresses and misses' ready-to-wear lines.

DETROIT.—The local business situation, while continuing to show a slight improvement, may be characterized as more or less uneven in many lines. Seasonable merchandise, wearing apparel, footwear and kindred items have moved more readily under favorable weather conditions, and prospects for a clean-up of stocks seem promising, leaving the way clear for Spring trade. The usual special sales will take care of much of this left-over merchandise. The bulk of the retail trade has been confined to the larger stores and while the small neighborhood stores have increased their sales somewhat under more promising industrial conditions, their trade still leaves much to be desired.

Jobbers and wholesalers, while reporting a fairly good demand in many lines, find buyers cautious and not inclined to commit heavily for the future. A resumption of building activity is looked for in early Spring and a number of large projects already are under way or about to be started. General trade prospects apparently are brighter, though a conservative tendency is still apparent.

MINNEAPOLIS.—Although business operations for the current year are not yet under full swing, there is a feeling that the general situation in this territory is more auspicious than that of a year ago. The increased momentum of business late in 1927, caused by the marketing of very satisfactory crops, has not spent its force and is expected to continue as a favorable influence during the early months of this year. There are no indications of plans for rapid expansion, except in the case of isolated industries, but there is a feeling that this section is in a position to absorb and pay for a considerable volume of goods.

Minneapolis flour mills manufactured over 350,000 barrels more of their products during the last four months than during the corresponding months of 1926. This increased production all went into domestic consumption.

KANSAS CITY.—Garment manufacturers report a satisfactory year just closed, with the usual seasonal lull in force now. Wholesale dry goods merchants report that the last quarter was not quite up to expectations, with a little heavier carry-over than usual. Tire distributors report the past year as a little short of the record of

1926. Grocery sales apparently were about the same as they were a year ago. Miscellaneous lines find that volume generally the past year was nearly as large as it was in 1926.

Many claim that the volume was somewhat larger, but lacking definite figures as yet, they are of the opinion that net profits will fall short, to some extent, because of increased operating and sales costs. New buildings started during the past month were about the number started last December. Flour demand continued dull during the week, although production was heavier. Livestock receipts for the week were a little heavier, with cattle and sheep prices stronger.

Pacific States

SAN FRANCISCO.—Business for the week experienced somewhat of a lull, with the exception of advertised sales. However, it is doubted if an expression of expectancy and optimism regarding better business to come was ever more general, along with the usual amount of development work and progress. Reports from about fifty trade and farming centers in this district are almost uniform in commenting upon prospects as being favorable for normal growth and expansion. At this time of year unemployment is at its height in the cities; but this situation will improve as the season progresses, and as the various demands from rural sections and manufacturing centers are met.

Road salesmen are getting their lines ready for the year, and jobbers are preparing more than ever to serve their trade often and in moderate amounts, as this method of buying and selling means more safety for the small merchant. Inventories are being cut down wherever possible, in order to meet the new year with the choicest and most salable merchandise.

Among the automobile trade, there is a feeling that sales this year will reach higher levels in number, as offerings will favor the purchaser both in price and style. Used cars have depreciated materially in value. More activity in this department of trade will benefit business in general.

Mercantile collections are reported as coming in slowly, but as readjustments are made and money gradually returns to trade channels an improvement is looked for. Considerable public construction work will be done this year, and there is notable activity in home development along the peninsula.

LOS ANGELES.—There has been a slight lull in the retail trade this week, following the holiday period, but for the year's business, the department stores report a large volume, which is in excess of the sales for 1926. All chain store organizations report large gains for the year. Some complaints are heard from small dealers, due to keen competition and inadequate profits.

Industrial enterprises increased their capacity about 10 per cent. during 1927, as compared with the record of 1926, and the growth in manufacturing is increasing at about the same rate. Exports show a gain for the year, while imports declined. California production of crude oil last week averaged 625,000 barrels daily, or an increase of 4,200 barrels daily over the record of the preceding week.

Records showed considerable expansion in the city at the close of 1927, with increases shown in customs receipts, internal revenue, department returns, postal business, retail trade, bank clearings, public improvements and building construction. The electrical energy used has increased to a considerable amount over that of the previous year, and bank clearings for 1927 are nearly \$100,000,000 over the 1926 total.

PORTLAND.—A heavy snowfall interrupted retail trade during the week and hampered distribution at all points in this territory. The demand for seasonable wearing apparel and footwear, as well as fuel, was stimulated. Jobbing orders were held in check by the widespread storm, but with the reopening of roads a large volume of country business is expected. The upward trend of bank clearings since 1921 was interrupted in 1927, when the total of \$1,978,930,066 fell short of that of 1926 and 1925. December clearings amounted to \$166,649,941, as against \$173,281,776 in the last month of 1926. Deposits in Portland banks at the close of the year totaled \$165,498,072, a gain of \$3,674,453 since December 31, 1926. Loans and discounts decreased, totaling \$75,486,520, as compared with

\$83,756,104 a year before. The peak of loans came in October, when the total was \$88,768,434. The value of exports from the Oregon district in 1927 was \$76,836,142. Customs receipts reached a record figure of \$1,521,275.

The Midwinter closing of many sawmills brought last week's lumber production down to less than half of normal. There also was a sharp decrease in the volume of orders booked. Stabilization of freight rates to the Atlantic Coast is expected to have a beneficial effect on prices when demand from that quarter reopens. There has been an increase in inquiry for car material, and also a gain in bridge plank orders. The Western pine market continues sluggish. Shingle prices held steady during the week.

Fir production by West Coast mills during the week amounted to 49,238,474 feet, sales were 67,317,914 feet and shipments 66,522,971 feet. Orders for rail delivery were for 29,344,484 feet; domestic cargo orders, 24,006,049 feet and export orders, 8,825,263 feet. The local trade bought 5,142,118 feet. Unfilled orders decreased 7,239,762 feet during the week.

There was practically no wheat selling by farmers during the week, owing to the storm. With supplies here liberal and little foreign demand, most of the buyers also were out of the market. Wheat exports last month were 2,730,430 bushels and for the year 36,053,336 bushels, as compared with 32,119,091 bushels shipped in the previous year. Flour exports last month were 76,297 barrels and for the year 699,854 barrels, against 591,264 barrels in 1926.

SEATTLE.—Deposits in all Seattle banks at the close of the year totaled \$218,000,000, a gain of more than \$7,000,000 over deposits shown at the call of the comptroller of the treasury and for the State at the corresponding period of 1926. Seattle bank clearings for 1927 totaled \$2,366,000,000 against \$2,352,000,000 in 1926. Clearings for the last month of 1927 were \$210,000,000 against \$194,000,000 for the like month of the year previous.

Shipping out of Puget Sound is considered to be rather unsatisfactory for the year. The first half year in inter-coastal business was fair; the latter half developed a slump. European shipping from this section suffered through the lack of a strong apple market. General cargo movement through the Sound has been fair. The Chinese uncertainty disrupted the Oriental shipping situation. The Hawaiian and the Philippine trade remained at about the same volume as it was in 1926.

Retail trade for Seattle shows a normal gain for the year over the 1926 total. This gain is reported principally by the larger institutions. If participated in by all distributors to a similar degree, the gain would have been outstanding. Small stores and specialty shops, generally, were less successful. The year-end holiday business is placed at 10 per cent. higher than it was in 1926.

Dominion of Canada

MONTREAL.—The singularly prolonged spell of damp, depressing weather has been somewhat of a handicap to retail activity in certain lines, and thus far there has not been the usual stir attendant on the January clearing sales, a lack which likely will be remedied by the advent of seasonal atmospheric conditions. In wholesale circles, business has hardly struck, as yet, into its regular stride since the holiday quiet, but there is no impairment of the previously noted buoyant feeling with regard to business prospects for the current year. Dry goods travelers are all out on their respective routes again, with fully-revised samples, but it is, as yet, premature to judge results.

All domestic cotton mills are busy, and are making liberal deliveries. Conditions are in rather marked contrast with those prevailing in New England milling centers, where many large plants are said to be employed only at from 40 to 60 per cent. capacity. Unfavorable weather conditions are mainly responsible for the present slackness in the woolen trade, but prices show a steady upward tendency. A great vogue for velvets is setting in, and it is reported that manufacturers at Lyons and other French centers are booked up to the end of the year. Conditions in the men's clothing line and among manufacturers of women's wear still permit of considerable improvement.

In leather, there is a sustained fair movement, with a rather marked demand for the cheaper lines of sole leather and cut soles. The strong advance in prices in progress for some time past is fully sustained, and it has been stated on competent authority that prices are more than 30 per cent. higher than they were a year ago. In the grocery line, there is the usual steady demand for staples, with no notable variation in values. All local refinery prices for sugars remain on a basis of \$6.35 for standard granulated. In the local market, there is quite an active distribution of lumber, but prices are said to be cut pretty close to the bone.

QUEBEC.—Post-holiday dulness prevails in many lines, though a fair movement for the season is reported. Owing to the higher cost of leather and easier money condition in Western Canada, it is anticipated that buyers will place their orders more rapidly with the local shoe factories, which at date are well employed. Prospects in the shoe-manufacturing industry, which is centered largely in this city, are encouraging. Building trades are not operating to any extent, owing to the season, and traffic has been slow, on account of heavy snowfalls.

TORONTO.—Local retail stores expressed divergent views regarding the holiday patronage, and it was evident that certain areas in this city failed to provide the volume expected, but against this may be set the fact that a majority surpassed the previous year's total by a comfortable margin. The caution that characterized commentaries of bankers and other financial experts last year still are to be heard, but there is an inclination on the part of many to disregard in part, at least, these recommendations, as they believe 1928 to be a year of opportunity. Canadian trade was well maintained up to the end of the year, and prospects for further extension and development favorably impresses those who have minutely analyzed the situation. Woolen manufacturers and jobbers anticipate a turn in their affairs that should lead to a decided improvement. Cables and letters from the woolen centers of England carry news of an upward trend to prices that should be the forerunner of stability in this line, which also means a termination of the price cutting, which formerly exercised a most detrimental effect.

Tanners and leather men have been forced to establish prices at a point considerably in advance of those listed in the early part of last year, and there appears to be no immediate prospect of reduction. Increased cost of leather has had its effect on the shoe manufacturing business, quotations for footwear being up, although the margin of profit is said to be still too low, and an increased output is essential for the welfare of the trade. The automobile trade received a setback for a time, due to the delay of certain makers in placing their new models on the market, with the result that there is a likelihood of such delayed deliveries that dissatisfaction may ensue, or it may result in benefit to the smaller maker.

VANCOUVER.—The natural reaction from a quite active preholiday season is noted in retail trade this week. With jobbers, new business is reported light, as they are busy with inventories and making adjustments. Retailers have commenced their usual January clearance sales. While 1927 did not show the volume of business that had been anticipated earlier in the year, yet taking all things into consideration it was a reasonably satisfactory one. The bank clearings showed a good comparative increase, and those for December amounted to \$89,948,960, as against \$82,165,508 for December, 1926. The amount for the year was \$924,784,859.

Mining companies in British Columbia made a record distribution, dividends being estimated at over \$11,000,000 for the year just closed, and with the present tendency of higher metal prices, the prospects for 1928 should be much brighter. The prices obtained for 1927 were the lowest for some years. The fishing industry showed a reduction in production in the leading lines, the approximate salmon pack being 1,400,000 cases, as against 2,065,198 in 1926, but this has, to some extent, been offset by heavy catches of herring and pilchard for which there is a good demand from the Orient.

Building permits issued during 1927 for Greater Vancouver reached a total of \$18,703,470; that for Vancouver City was \$10,687,167, as against \$15,601,262 for 1926, which included a permit for \$4,200,000 covering a new railroad pier. Last year, nearly 3,200 dwellings were built in Greater Vancouver. The lumber industry continues dull, while pulp and paper mills continue active and prices remain firm.

BUILDING DECREASES IN 1927

Steady Recession in Activity Through Entire Year—Outlook Considered Favorable

IN spite of isolated instances of fair-sized gains, building activity during 1927 fell below the record for 1926. The general decline started along about April and continued in the month to month comparison until the end of the year, according to reports to DUN'S REVIEW. In most parts of the country, residence construction was of larger volume than industrial building.

Although there is a plentiful supply of labor, wages for skilled mechanics are holding fairly firm. A slight recession, however, has been made in the pay of unskilled workmen. Supply of materials is in excess of current demand, with prices of most articles, except structural steel, showing considerable weakness.

Banks and loan institutions have co-operated readily with owners in financing new work, and loans are obtainable at normal rates of interest. Present indications are that the lull in building activity has seen its worst, as the new year is starting out under favorable circumstances, with a tendency to discourage speculative undertakings.

BRIDGEPORT.—Building conditions in this vicinity at the present time are about normal, although for the year 1927 a considerable improvement was shown over the record of 1926. Building permits for the year 1927 totaled \$5,434,125, exceeding the 1926 figure by about \$2,000,000. Among the principal structures for which permits were issued were a new bank building, a new hotel building and additions to two local hospitals.

Outlook for the new year is exceptionally bright, as architects are busy on new plans, and by Spring a large amount of construction will be under way. There appears no scarcity of labor. Building loans are obtainable readily at regular rates of interest.

HARTFORD.—The total new building authorized in 1927 was \$17,601,177, compared with \$16,829,157 in 1926, \$22,130,192 in 1925 and \$18,824,463 in 1924. Construction was well distributed throughout the year, permits for December having been \$980,760. Residence construction continues active, particularly in suburban districts, while apartment building has declined. Labor has been well employed, without change in the wage scale. Material prices are slightly lower, with a tendency, in some instances, to bid too low on account of excessive competition. Money is plentiful at normal rates. There is evidence that 1928 will be a normal year, perhaps showing a somewhat smaller total than that of 1927, although if building projects contemplated for the future should develop during the present year, new construction might easily pass the 1927 figure, which was the fourth largest recorded by the building inspection department.

ST. LOUIS.—Building operations in this section have been well sustained, owing to favorable conditions in the city proper. There has been a good deal of municipal construction, and heavy requirements resulting from the tornado of a few months ago. Rapid progress is being made in re-building, and there also is a considerable amount of new building to replace structures totally destroyed. St. Louis building permits for 1927 were approximately \$42,000,000, compared with \$39,000,000 for 1926. Alterations increased, with the tornado as a factor, from \$6,400,000 in 1926 to \$7,000,000 in 1927.

The City of St. Louis is engaged in extensive municipal building operations, which are being paid for out of a bond issue of \$87,000,000 passed in 1923. About one-third of the amount has been expended so far. Now under construction are a City Service Building, new Police Headquarters, Civil Courts Building, new water works system, installation of electric street lights, and widening one of the main thoroughfares through the heart of the city, for 2 miles. Several millions dollars will also be expended this year for new street sewer construction.

A number of large private projects are under way, and a permit for a new bridge over the Missouri River has been applied for. Announcement was made recently that one of the foremost airplane manufacturers would move to St. Louis; also that a similar company would establish a sub-

sidiary plant. Both plan to erect buildings costing approximately \$50,000 each, to be devoted to the manufacture of commercial planes on a large scale. A proposal has been made for the Federal Government to erect a \$7,000,000 building in St. Louis to house various government activities, which now are located in three different parts of the city. A recent appraisal of Federal property in the city was made with this in view.

Building materials are in fair demand, plentiful supply, and prices are lower than they were a year ago. Labor is fairly well employed for this season; wage scales are maintained by unions, but several of the building trades have adopted the 40-hour, or 5-day week, to give more mechanics employment. Ample funds are available at 5½ and 6 per cent. for any legitimate construction work.

BALTIMORE.—The building industry was not in a particularly satisfactory condition in 1927, but the local situation is believed to have paralleled closely that in most other sections of the country. In other words, the subsidence was practically nationwide in its scope. December, 1927, building permits totaled only \$1,245,720, compared to \$2,703,600 for the corresponding 1926 month. The November, 1926, figures aggregated \$4,686,366, whereas the total for November, 1927, was \$2,930,760. For the entire year just closed, the figures are \$34,125,348, contrasted with \$50,926,446 as the 1926 total. It will be noticed that all these comparisons show a recession in construction work. It is generally believed that building operations will become more brisk this Spring, however, owing to somewhat lower building costs and a surplus of skilled labor in the building trades. Plans for prospective construction work just released would seem to justify this prediction. Decrease in dwelling building last year enacted the chief rôle in the contraction. This is due to the fact that the housing situation, which had been acute for some years, had been remedied, and also to the additional fact that large apartment houses are becoming more numerous.

The principal undertakings for the early part of the current year probably will be represented by plant expansions, a municipal building program, including schools and libraries, erection of hospitals and large apartment house building. This forecast activity should improve the demand for construction materials, which has been lagging for a rather long period. Moreover, the real estate market is expected to become more active. Deeds recorded here in 1927 aggregated 23,939, whereas the total for the previous year was 26,189. A comparison of the mortgages covering the same periods also reveals a numerical decline.

At present, there is a plentiful supply of both skilled and unskilled labor in the building line, although the unemployment status is not acute. During the past year the industry has been remarkably free from labor disturbances. Wages are holding firm and the union scale continues to prevail in this district. Throughout the year the fluctuation in labor costs is said to have been less than 1 per cent. Moreover, in 1927, the average employment in the building crafts was about 12 per cent. below the levels of the preceding year.

NORFOLK.—Building, which was quiet during the early part of last year, has shown considerable improvement of late, and at present, architects have more work on their boards and in immediate prospect than at any similar period within five years. Increased activity centers in dwellings and apartments, although several large projects are being completed. No new work of magnitude is in sight.

Operations in Norfolk for 1927 totaled \$3,411,655, an increase over the 1926 record of \$600,585; total permits were 1,834, an increase of 167 over those of the preceding year. A decrease in building throughout the country has resulted in a slight lowering of prices of material. The local supply is plentiful and the demand from fair to good. Wages are stationary, and there is a slight surplus of common labor.

ATLANTA.—The building industry in this section for the past four months has not come up to expectations. Permits issued in September totaled \$1,237,434, and were the largest for any month during the year 1927, but the last four months' period showed a considerable falling off. Permits for the year amounted in the aggregate to \$12,081,122, or better than \$1,000,000 a month average. Residential

property, with a total of \$7,000,000, showed the larger portion, while business property was a little over \$2,800,000. There has been considerable residential suburban subdivision development, for which no city permits are necessary and do not show in this total.

A large automobile company is now erecting an assembly plant just outside the city limits, at a cost of about \$2,500,000. The city itself is erecting two viaducts over railroad crossings at a cost exceeding \$2,000,000 and plans have been completed for a city hall at a cost of \$1,000,000, construction to begin within ninety days. The Board of Education will commence construction of school buildings during the year to absorb a bond issue of \$3,000,000 previously authorized. Aside from the projects referred to, the usual building program is expected. Property well located is readily rented, although there are some vacancies where location is not so desirable.

Competition has been very keen among material men during the past few months, and some price reductions have taken place, brick being off about 20 per cent., roofing about 15 per cent., and some other lines have been reduced more or less, but lumber has held firm, no reductions of consequence being noted in this commodity. There still is a surplus of unskilled labor, though wages remain practically unchanged. Prospects for 1928 are for about a normal year, with a tendency to discourage speculative building.

MEMPHIS.—Indications are that the lull in building activity here and in the district has seen its worst, although it is not expected that there will be any pronounced improvement. Activities have been restricted more in small residences and apartments than elsewhere, due to inability of demand to absorb the increased supply, although the chief oversupply was due to the vacating of older buildings for the new. Activity during the Winter has been chiefly in commercial and public construction, and it is there that the most promising outlook lies. Some fairly large projects are in course of construction here, and more are to follow.

Labor surplus already is showing signs of lessening, although the skilled sections have been pretty well occupied all along. Wages are practically unchanged, though the excess of common for a time tended to result in the shading of some schedules. There have been no important changes in material costs, although there were slight advances in a few items of hardware. Lumber, on the other hand, tended to be shaded slightly, though not enough to figure in reducing costs.

In the flooded districts construction is disposed to await action from Congress as to providing protection against future floods. The lumber trade has curbed output and feels that prices will be more stable, but buying is reported to be only for immediate wants.

DALLAS.—The total of building permits issued this city during 1927 was about \$5,000,000 less than the record for 1926. While no figures are yet available, it is evident that there was a greater volume of building in Texas, as a whole, in 1927 than in 1926, due to the unusual activity in several of the larger cities. About 40 per cent. of all contracts has been for residential construction, the bulk of the balance being for commercial buildings and public works.

There has been considerable unemployment here during the past few months, which is being relieved, to some extent, by the opening of the usual seasonal activity. There was no particular change in wage rates during the past year. Building material prices remain stable. Plenty of money apparently is available for financing legitimate projects. Interest rates depend upon value of security but average around 6 per cent.

CHICAGO.—Construction in this city for the first six months of 1927 was about 14 per cent. ahead of the record for the same period in 1926. However, a decline in permits issued started in April and continued in the month-to-month comparison until the end of the year. Final figures indicate totals below both those for 1926 and 1925, which had surpassed all previous high levels. The loss was represented principally in building permits, dwelling permits maintained an increase over those of each month of 1926 up to October, when they fell behind for the first

(Continued on page 20)

PRICE INDEX SLIGHTLY LOWER

Small Decline in DUN's Compilation Follows Five Consecutive Months of Advance

AFTER five consecutive months of increase, DUN's Index Number showed a slight decline on January 1, at \$192.849. This figure, representing the cost per capita of a year's supply of commodities in wholesale markets, is 0.3 per cent. below the \$193.849 of December 1, when prices were at their highest point since February 1, 1926. It still is necessary to go back to that date to find a parallel for the latest-reported total, which is, moreover, 2.7 per cent. above the \$187.758 of January 1, 1927. When comparison is made with the high record of \$263.332 established on May 1, 1920, a decrease of about 27 per cent. appears, but an advance of 61 per cent. is shown over the pre-war basis.

The decline in DUN's compilation as of January 1, this year, from the total for December 1 was due to lower levels for breadstuffs, meats, metals, and the miscellaneous group. The reduction in meats slightly exceeded 3 per cent.; in breadstuffs, it was a little more than 1 per cent., while metals and miscellaneous fell 0.9 and 0.8 per cent., respectively. For all foods together, the net result was a decline of only 1 per cent., small increases occurring in dairy and garden products and in the class designated as "other food." In clothing, there was a rise of 2.8 per cent., and the advance in this group has continued without interruption since early in 1927.

Monthly comparisons of DUN's Index Number of wholesale commodity prices follow:

	Bread- stuffs.	Meat.	Dairy & Other Cloth- Food.	Garden.	Food.	ing. Metals.	lancous.	Miscel- laneous.	
								Total.	Metals.
1924, Jan.	1..	29.229	15.868	23.424	20.398	40.755	23.251	37.005	189.930
Feb.	1..	30.894	15.880	22.737	20.276	40.563	23.307	37.438	191.096
Mar.	1..	31.276	16.530	21.556	20.328	39.618	23.633	37.770	190.741
Apr.	1..	30.635	15.575	20.837	19.893	39.017	23.511	37.312	186.730
May	1..	30.973	16.447	19.748	19.781	38.750	22.950	36.024	184.675
June	1..	30.946	16.190	20.154	19.811	38.729	22.504	36.077	183.821
July	1..	33.523	16.047	20.205	19.419	37.925	22.515	35.851	185.485
Aug.	1..	36.126	16.995	19.321	19.429	39.044	22.582	34.582	188.081
Sept.	1..	36.287	17.844	19.694	19.573	38.543	22.514	34.344	188.710
Oct.	1..	36.464	18.505	20.282	19.893	38.679	22.552	34.504	190.878
Nov.	1..	36.378	19.271	21.540	20.210	38.747	22.982	34.664	193.734
Dec.	1..	38.017	19.049	23.333	20.059	39.652	23.049	34.824	197.993
1925, Jan.	1..	41.559	19.683	23.011	19.948	40.205	23.379	34.780	202.566
Feb.	1..	43.809	19.561	22.053	20.004	40.293	23.464	35.408	204.592
Mar.	1..	42.582	19.795	20.522	19.915	40.301	23.384	35.448	201.947
Apr.	1..	35.731	20.358	21.045	20.071	39.233	22.698	35.401	194.537
May	1..	37.067	19.889	20.161	19.761	38.282	22.508	35.613	193.281
June	1..	39.926	19.802	20.279	19.762	37.582	22.250	35.564	195.165
July	1..	36.059	22.397	21.236	19.916	38.334	21.908	36.049	195.899
Aug.	1..	35.507	24.083	22.616	19.612	38.173	22.251	35.899	195.133
Sept.	1..	33.553	22.714	22.297	19.837	37.500	22.582	36.247	195.766
Oct.	1..	30.597	23.345	24.207	19.490	37.844	22.802	36.542	194.827
Nov.	1..	31.390	23.062	25.809	19.686	37.423	23.065	36.734	197.159
Dec.	1..	32.629	21.790	28.555	19.729	37.419	23.320	35.014	198.466
1926, Jan.	1..	34.180	20.255	26.077	20.462	37.166	23.411	35.730	197.281
Feb.	1..	33.188	20.234	24.298	20.536	36.898	23.480	36.420	195.054
Mar.	1..	31.834	20.358	22.834	20.709	36.161	24.005	36.777	192.678
Apr.	1..	30.827	20.108	22.755	20.493	35.297	23.720	37.275	190.478
May	1..	30.651	19.821	23.078	20.731	34.600	23.271	37.177	189.335
June	1..	29.709	20.076	23.194	20.154	34.567	23.027	37.345	188.072
July	1..	29.717	20.301	21.199	20.162	33.741	22.734	37.155	186.014
Aug.	1..	30.505	19.496	20.500	20.118	34.130	22.905	37.474	185.129
Sept.	1..	28.050	20.918	21.999	20.065	33.685	22.962	38.033	185.717
Oct.	1..	29.823	21.583	21.948	20.028	33.201	23.145	37.637	187.367
Nov.	1..	29.406	20.090	24.405	19.984	32.788	23.691	37.540	187.904
Dec.	1..	28.521	20.127	24.995	20.183	32.318	23.884	37.715	187.746
1927, Jan.	1..	29.455	19.418	24.593	20.160	32.471	23.647	38.014	187.758
Feb.	1..	30.042	19.781	22.573	19.597	32.372	23.371	37.485	185.471
Mar.	1..	29.620	19.897	21.859	19.830	32.801	23.022	37.744	183.269
Apr.	1..	28.411	20.159	22.166	19.734	32.533	22.575	37.709	183.087
May	1..	29.055	20.184	21.267	19.797	32.561	22.496	37.484	182.794
June	1..	33.933	19.039	21.682	19.737	33.049	22.308	37.473	187.221
July	1..	33.519	19.329	20.723	19.928	33.187	22.561	37.551	185.593
Aug.	1..	33.610	20.024	20.251	19.063	33.841	22.014	37.542	186.355
Sept.	1..	32.745	21.167	20.287	19.158	34.233	22.218	37.390	188.298
Oct.	1..	32.400	23.202	21.417	19.325	34.779	21.786	37.355	190.217
Nov.	1..	31.703	23.571	22.535	19.439	35.028	22.007	37.432	191.715
Dec.	1..	32.758	24.220	22.467	19.406	35.055	22.096	37.340	193.342
1928, Jan.	1..	32.390	23.480	22.542	19.451	36.039	21.897	37.050	192.849

NOTE.—Breadstuffs include quotations of wheat, corn, oats, rye and barley, besides beans and peas; meats include live hogs, beef, sheep and various provisions, lard, tallow, etc.; dairy and garden include butter, eggs, vegetables and fruits; other foods include fish, condiments, sugar, rice, tobacco, etc.; clothing includes the raw material of each industry, and quotations of woolen, cotton and other textile goods, as well as hides and leather; metals include various quotations of pig iron, and partially manufactured and finished products, as well as minor metals, coal and petroleum. The miscellaneous class embraces many grades of lumber, and also lath, brick, lime, glass, turpentine, hemp, linseed oil, paints, fertilizers and drugs.

A price reduction of 5 to 10 per cent. in toweling became generally effective in the markets during the week.

TIME MONEY MARKET FIRMER

Some Tightening of Rates Occurs in that Division—Foreign Exchanges Higher

THE feature of the week in the money market was a considerable volume of calling of loans, following the introduction of the new system of computing reserve balances. Heretofore, weekly settlements have been made on Fridays. Beginning this week, the reserve position of the banks will be reported every Tuesday and Friday. The change was made to provide further stabilization in the money market. Formerly, the banks frequently placed large sums in the market in the early days of the week, and on Thursday and Friday called these loans in order to strike a satisfactory average in their position with the reserve bank. This made for sudden fluctuations in money rates. The new plan is expected to keep money rates on an even basis. It will not, of course, make any change in the amount of bank credit outstanding, in the long run. On Tuesday, the call money rate advanced to 4½ per cent., owing to withdrawals made because of the new Federal Reserve rule, but the rate later returned to 4 per cent. and accommodations were available in the outside market at 3½ per cent. The time money market was firmer. Bankers' acceptances were advanced ½ of 1 per cent. for the principal maturities.

Recoveries were made throughout most of the foreign exchange markets. Sterling, which had been under pressure at the start of the year, rallied to \$4.87½ for checks, and business increased sharply. French, Italian and Scandinavian currencies all were active and higher. The Spanish peseta lost ¼c. on the week. The Japanese yen advanced to 47c. early in the week, this being the highest rate in months, but the gain was lost. Heavy speculation took place in the yen, mostly of Far Eastern origin. Most of the South American exchanges were steady. The Canadian dollar sold at a discount of 3/16 of 1 per cent., owing to seasonal influences, and this resulted in a further flow of gold from Canada to New York.

Daily closing quotations of foreign exchange (bankers' bills) in the New York market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sterling, checks...	4.86½	4.87½	4.87½	4.87½	4.87½	4.87½
Sterling, cables...	4.87½	4.87½	4.87½	4.87½	4.87½	4.87½
Paris, checks...	3.93 ¼	3.93 ¾	3.92 ¾	3.92 ¾	3.92 ¾	3.92 ¾
Paris, cables...	3.93	3.93	3.93	3.93	3.93	3.93
Berlin, checks...	23.79	23.78	23.79	23.79	23.79	23.79
Berlin, cables...	23.81	23.80	23.81	23.81	23.81	23.83
Antwerp, checks...	13.94 ¼	13.95	13.94 ¼	13.95	13.93	13.93
Antwerp, cables...	13.95 ¼	13.96	13.95 ¼	13.96	13.95	13.95
Lire, checks...	5.28½	5.28½	5.28½	5.28½	5.28½	5.28½
Lire, cables...	5.28½	5.28½	5.28½	5.28½	5.28½	5.28
Swiss, checks...	19.26 ¼	19.26 ¼	19.26 ¼	19.26 ¼	19.25	19.25 ¼
Swiss, cables...	19.27	19.27	19.27 ¼	19.27	19.27	19.27 ¼
Guilder, checks...	40.26	40.25	40.25	40.25	40.30	40.32
Guilder, cables...	40.31	40.30	40.30	40.30	40.32	40.34
Pesetas, checks...	17.27 ¼	17.21 ¼	17.17 ¼	17.09 ¼	17.11	17.02
Pesetas, cables...	17.28	17.22	17.18	17.10	17.13	17.04
Denmark, checks...	26.74 ¼	26.76	26.76 ¼	26.78	26.78	26.78
Denmark, cables...	26.75	26.77	26.78	26.78	26.80	26.80
Sweden, checks...	26.90	26.88	26.88	26.88	26.88	26.88
Sweden, cables...	26.92	26.90	26.90	26.90	26.90 ¼	26.90 ¼
Norway, checks...	26.57 ¼	26.57	26.56 ½	26.58 ½	26.59	26.59
Norway, cables...	26.58	26.57 ¼	26.57	26.58	26.61	26.61
Greece, checks...	1.32 ¼	1.32	1.32	1.32	1.32	1.32 ¼
Greece, cables...	1.32 ¼	1.32 ¼	1.32 ¼	1.32 ¼	1.32 ¼	1.33 ¼
Portugal, checks...	4.98	4.98	4.97	4.97	4.97	4.97
Portugal, cables...	4.99	4.99	4.99	4.98	4.98	4.98
Montreal, demand...	99.81	99.82	99.82	99.81	99.81	99.81
Argentina, demand...	42.67	42.67	42.67	42.67	42.68	42.68
Brazil, demand...	11.99	11.99	11.98	11.99	12.00	12.00
Chili, demand...	12.21	12.21	12.21	12.21	12.25	12.25
Uruguay, demand...	103.25	103.25	102.88	102.88	103.00	102.75

Money Conditions Elsewhere

Boston.—The ratio of the Federal Reserve Bank of Boston increased during the week from 63.5 to 67.4 per cent. A year ago it was 71.3 per cent. The reserves have increased about \$12,000,000. The circulation has decreased about \$4,000,000, and the deposits have increased about the same amount. Bills discounted have decreased over \$21,000,000. Net demand deposits of the member banks have increased \$13,000,000. The earnings of the Federal Reserve Bank declined from \$1,156,000 in 1926 to \$837,000 in 1927. The first seven months of the year the discount rate was 4 per cent., but since it has been 3½ per cent. The volume of bills discounted during 1927 was \$2,119,000,000, as compared with \$2,767,000,000 during 1926. Check collections amounted to \$20,717,000,000, as compared with \$20,192,000,000 the year previous. Money became easier the first of the week, and call money dropped from 5½ to 4½ per cent. The market now is firm. Six months' time money is 4½ to 4¾ per cent. Commercial paper is from 3¾ to 4½ per cent.

St. Louis.—The demand for credit has increased slightly since the first of the year, but with the low inventories, both on the part of jobbers and retail merchants, the demand has not been up to that for the same period of former years. Industrial loans have been relatively smaller than commercial commitments. Both savings and commercial accounts show a steady upward trend, despite the withdrawals of savings for holiday expenditures. Rates of the St. Louis banks are: Commercial paper, 3¾ to 4 per cent., and collateral and over-the-counter loans, 4½ to 5½ per cent.

Chicago.—Money opened unchanged this week, with commercial paper quoted at 3¾ to 4 per cent., and collateral and over-the-counter loans 4½ to 5½ per cent., with the customary shading by banks. Commercial paper dealers reported that the 3¾ per cent. market had failed to broaden as rapidly as had been expected for the second week in January.

Cincinnati.—Money is in liberal supply and indications are favorable for a continuance of the easy conditions now prevailing. Brokerage loans are at 4½ and 5 per cent., with the general run of accommodations ranging from 5 to 6 per cent.

Cleveland.—Federal Reserve note circulation in this district declined \$13,000,000 this week, when compared with that of last week, whereas holdings of discounted bills were nearly stationary in volume. There was an increase of \$56,000,000 in debits to individual accounts for the week in the local reserve district. There also was an increase of \$8,000,000 in net demand deposits. The demand for commercial loans has tended downward since the beginning of the year, but rates of interest hold about stationary.

Minneapolis.—There was an increase in the demand for money during the week. Commercial and industrial loans still are quoted at 4½ to 6 per cent. Commercial paper is 4 to 4½ per cent. Deposits at local banks and savings institutions are heavy, and ample funds are available for all legitimate needs.

Kansas City.—General bank deposits are slightly heavier, with a large ratio of cash to deposits. Demand is moderate. Federal Reserve Bank statement showed a decrease of about 20 per cent. in discounts over the record of the week previous. The other items showed no noteworthy changes.

Continued Heavy Bank Clearings

BANK clearings are again exceptionally heavy, the total this week at leading cities in the United States of \$12,402,302,000 exceeding those of a year ago by 31.5 per cent. Clearings this week, which includes six days, closely approach the amount reported for the five days of last week, in which the heavy year-end settlements appeared. At New York and at a number of other leading centers, January clearings are considerably in excess of any preceding records. The New York City figures this week of \$8,305,000,000 are larger by 42.9 per cent. than those for the corresponding week of last year, and exceed those of 1926 by 31 per cent. Total clearings for all leading cities outside of New York amount to \$4,097,300,000, and are 13.3 per cent. in excess of the total a year ago. There are gains at all but a few centers, with substantial increases at Boston, Philadelphia, Chicago, Detroit, Cleveland, St. Louis, Kansas City, Minneapolis, Omaha, Louisville, New Orleans, Dallas, San Francisco, Los Angeles and Seattle.

Figures for this week and average daily bank clearings for the last three months are compared herewith for three years:

	Week	Week	Per	Week	
	Jan. 12, 1928	Jan. 13, 1927	Cent.	Jan. 15, 1926	
Boston	\$618,000,000	\$499,000,000	+23.9	\$521,773,000	
Philadelphia	648,000,000	549,000,000	+18.0	610,000,000	
Baltimore	104,942,000	97,739,000	+7.4	101,652,000	
Pittsburgh	181,568,000	174,994,000	+3.8	175,902,000	
Buffalo	63,954,000	57,725,000	+10.8	61,002,000	
Chicago	843,255,000	63,517,000	+21.9	741,593,000	
Detroit	190,900,000	164,594,000	+18.0	166,180,000	
Cleveland	132,715,000	122,897,000	+8.0	118,000,000	
Cincinnati	85,740,000	93,349,000	-12.2	76,714,000	
St. Louis	155,700,000	147,500,000	+5.6	160,200,000	
Kansas City	137,800,000	153,800,000	-10.4	142,300,000	
Omaha	43,765,000	40,388,000	+8.4	41,831,000	
Minneapolis	84,825,000	76,361,000	+11.1	85,083,000	
Richmond	*48,000,000	52,497,000	-10.8	56,617,000	
Atlanta	56,701,000	53,956,000	+5.1	83,836,000	
Louisville	44,923,000	39,751,000	+13.0	41,448,000	
New Orleans	68,497,000	60,885,000	+12.5	61,620,000	
Dallas	55,681,000	57,174,000	-2.6	58,945,000	
San Francisco	237,300,000	200,200,000	+18.5	196,700,000	
Los Angeles	208,950,000	200,708,000	+4.1	183,802,000	
Portland	36,129,000	37,398,000	-3.2	38,120,000	
Seattle	49,913,000	44,787,000	+11.4	45,990,000	
Total	\$4,097,300,000	\$3,616,140,000	+13.3	\$3,769,333,000	
New York	8,305,000,000	5,812,000,000	+42.9	6,338,000,000	
Total All	\$12,402,300,000	\$9,428,140,000	+31.5	\$10,107,333,000	
Last Year	4,347,000	3,958,000	122,000	1,699,000	68,000

Average Daily:

Jan. to date	\$2,222,235,000	\$1,829,925,000	+21.4	\$1,882,740,000
December	1,854,580,000	1,618,823,000	+14.6	1,696,226,000
November	1,828,648,000	1,537,024,000	+19.4	1,668,054,000

* Estimated.

REPORTS ON COLLECTIONS

Boston.—In the trades benefited by an open Winter, such as building, collections have improved and are considered good. The seasonable goods have turned over slowly, which has resulted in a slowing up of collections. Payments in the automobile trade are more tardy than usual. The general average of collections is slightly below that of a year ago.

Providence.—Reports for the week show that collections are fair to good.

Hartford.—Although collections are slowing up somewhat, they still are classed as fair.

Newark.—While collections have shown an improvement, yet they still are not better than fair.

Philadelphia.—In the leather trade, collections are very poor, but with distributors of agricultural implements they are good. In the radio trade collections are more satisfactory than they have been for months. With lumber merchants, they are considered somewhat slow.

Pittsburgh.—With jobbers, collections average rather slow.

Buffalo.—Since the first of the year, collections in this district have been fair.

Baltimore.—Thirty-two houses engaged in various lines of business were interviewed at this time with reference to the collection status and the following information was elicited: Nine report that collections are good, nineteen say that returns are fair, while four find that remittances are slow.

St. Louis.—With the leading wholesale dry goods, shoe and hardware houses, collections have been generally satisfactory, but with the smaller houses they have lagged somewhat. In the Southern territory, there has been good liquidation in cotton, tobacco and rice areas, including a considerable portion of past due indebtedness. Retail collections have been fairly satisfactory.

Jacksonville.—Reports received during the week show that collections are slow.

Dallas.—On the whole, collections are fair and are considered satisfactory for this time of the year.

Oklahoma City.—Collection conditions generally are just fair, being better in some trades than in others.

New Orleans.—There has been a slight improvement in collections but they still are rather slow in some sections.

Chicago.—For the week, collections are reported only fair, with but little improvement in evidence.

Cincinnati.—Averaging fair to slow, collections are following closely the trend of business.

Cleveland.—A slight improvement has been noted in collections since the first of the year, and merchants generally appear to have had a good cash turnover during the holidays.

Detroit.—In general, collections have shown a slight improvement since the first of the year.

Minneapolis.—There has been but little change in collections, which continue generally satisfactory.

Kansas City.—Since the first of the year, collections have not been quite so good as they were in the first few days of December, but they generally are classed as fairly normal for the postholiday period.

Denver.—There was but little change in collection reports this week, most of the houses showing them to be not better than fair.

Omaha.—In most lines, collections are slow.

San Francisco.—Mercantile collections are reported as coming in slowly, but as readjustments are made and money returns gradually to trade channels, an improvement is looked for.

Los Angeles.—As a result of the curtailment of credit during the holiday season, better collections are expected during the current month.

Montreal.—On the whole, collections are reported as rather better than fair.

Toronto.—On the whole, payments are good.

Quebec.—Collections are starting the year about fair.

Vancouver.—Throughout the year, general collections were satisfactory, and representative houses are entering 1928 in an optimistic frame of mind, as condition of storekeepers in this Province generally is good.

PRODUCTION OF STEEL RISING

Operating Schedules Are at a Higher Rate—
Coke Output at Low Point

PRODUCTION records with the steel industry have taken a definite swing upward, and in the Pittsburgh district, also in the Mahoning Valley and other territory, operating schedules are at a better rate. Orders have accumulated in sheets and in other finished descriptions, and estimates now place the first quarter on the basis of 70 to 80 per cent. of ingot capacity. This will represent a decided gain over the rate in December. The percentage of ingot output during the entire year 1927 was 85, with a total of 43,040,916 gross tons, comparing with 46,936,205 tons for 1926.

In finished descriptions, a further expansion in automobile requirements is anticipated, though the anxiety of mills in building up tonnages is still mentioned, and concessions have not entirely passed. Sheet makers, however, are holding firmly to revised quotations as applying to new business, and in practically all lines manufacturers are hopeful that better prices will be shortly realized. Higher quotations on future bookings apply to cold finished steel bars and shafting, strip steel and wire products. Tin plate is regularly quoted at \$5.25, Pittsburgh base, for 100-pound cokes.

Coke production in the Connellsville district is at the lowest ebb in years, one large operator for steel works fuel closing down entirely, and merchant ovens are producing at a low rate. The market continues easy and spot furnace coke is quoted at \$2.75, at oven, with possible concessions on distress lots. Dealers in scrap have been bidding up prices in covering contracts, developing a stronger market. At Pittsburgh, heavy melting scrap is quoted up to \$16, delivered. Stocks of pig iron at Valley furnaces are not being depleted rapidly and current demands remain light, though producers hold that current quotations represent the minimum. These figures are \$17.50, Valley, for Bessemer and \$17, Valley, for basic.

Other Iron and Steel Markets

Buffalo.—There is little change in the iron and steel situation. A cleaning-up process is going on now in preparation for the new year's business. Some orders are being placed, but mostly for quick shipment. Few commitments of importance are reported, but numerous inquiries asking for quotations indicate that there is business ahead, and that mills are in position to meet any reasonable demand. About 50 to 60 per cent. capacity has been the production schedule for the past week, with one exception, where two of the larger mills are operating at about capacity. Prices remain firm.

Chicago.—The addition of two more blast furnaces to those active in the local area brought ingot output up to an average of 75 per cent. at the beginning of the week. One of the furnaces belonged to the leading interest, the other to an independent. Rail output likewise was near the 75 per cent. level while track accessory makers averaged around 60 per cent. The first week in January was reported one of the best in recent weeks for the Western makers. Buying was well diversified and sales and specifications were unusually heavy. Deliveries were a little more deferred, although emergency orders could still obtain fairly prompt shipment. Railroad buying again was a feature, recent orders including 2,000 miscellaneous freight and 15 passenger cars. New inquiry includes 500 gondolas and 200 steel underframes. Structural steel particularly is promising, with between 40,000 and 50,000 tons ready for contract in the near future. Prices opened steady at the beginning of the week, ruling quotations being: Pig iron, \$18.50; hard steel bars, \$1.80; soft steel bars, \$1.90; shapes and plates, \$1.90. An advance of 25c. a ton also was reported for heavy melting steel scrap.

Total production of bituminous coal during the calendar year 1927 is estimated by the United States Geological Survey at 519,762,000 net tons. In comparing the estimate for the year 1927 with the figures for earlier years, it should be borne in mind that the preliminary estimate is subject to slight revision. Total production of anthracite during the calendar year 1927 is estimated at approximately 80,650,000 net tons. This figure is subject to slight revision.

The Federal Reserve Board's condition statement of 657 reporting member banks in leading cities as of January 4 shows increases for the week of \$423,000,000 in net demand deposits, of \$95,000,000 in time deposits, of \$193,000,000 in loans and discounts, and of \$40,000,000 in investments, and a decline of \$69,000,000 in borrowings from the Federal Reserve banks.

REMARKABLE ADVANCE IN HIDES MODERATE DRY GOODS TRADING

Prices Again Generally Higher, With Supplies in Closely Sold-up Position

THE hide and skin markets have continued to advance, with prices on domestic and foreign stock 1c. to 2c. higher all around, and calf and kip have scored even larger gains.

In the domestic packer market, largest buyers paid full top recent rates, also advances for some lines, and all-weight native and branded cows later rose another $\frac{1}{2}$ c., making a full increase of 1c. on these. Trading during the interval was active and of a clearance character, absorbing over 100,000, and the packers are very tightly sold up. Native steers reached 26c., butt brands and heavy Texas 25 $\frac{1}{2}$ c., Colorados and light Texas and heavy and light native cows 25c., branded cows 24c. and native bulls 20c. In addition, small packer hides advanced to 25c. for all-weight native cows and steers, with brands 1c. less.

Country hides are in a tightly sold-out position, with very limited offerings, and are keeping rapid pace with packers. Extremes are reported to have sold to Newark patent leather tanners at up to 25c., and other selections are just as strong and high in proportion. Later, bids of 25c. were refused in Chicago, with 25 $\frac{1}{2}$ c. to 26c. asked.

Foreign hides share in the same excited and advancing conditions ruling in the domestic market. Common varieties of Latin-American drys are sold out at 1c. to 2c. higher, with recent business in flint Central Americans, Savanillas and Cartagenas at up to 35c. Interior heavy-weight Colombians are not considered quotable at under 38c.

Calf and kip have registered sensational advances. In the West, packers, after selling up to 32c., went to 33c. Later, this figure was refused, with 35c. asked. Chicago cities last sold at 29c., but this was prior to the stiff increases obtained for packers, and nominally up to 32c. is being asked for these. Packer kips made 29c. and later 30c., and 31c. is now ased. Some trading in New York City calf at \$2.50, \$3 and \$4 for the three weights absorbed the supply. To sell ahead into the last end of the month, collectors ask materially higher prices. New York City 12 to 17-pound veal kips brought \$4.50 and bids up to \$6.50 for 17 pounds and up were refused, with \$7 asked.

Later, further advances ruled. In domestic packers, native steers sold at 26 $\frac{1}{2}$ c., light native cows at 25 $\frac{1}{2}$ c. and Colorados at 25 $\frac{1}{2}$ c., all $\frac{1}{2}$ c. up. Fort Worth branded bulls sold up to 20c. River Plates are higher on United States buying, with Argentine frigorifico steers sold up to an equivalent of 31 $\frac{1}{2}$ c., a new high basis. In foreign drys, dry salted San Domingos sold at 32c.

Leather Prices Further Advanced

SOLE leather is very strong at last prices, which, on an actual selling basis, were given as 62c. for oak and 60c. for union trim backs, but prices being talked are 64c. and 62c., with 66c. and 64c. indicated as very possible in the near future. Exceptional increases are being paid for hides, which, in the domestic market, are of poorer-season quality. While some buyers are said to have covered somewhat ahead, others are in the market and some dealers are said to be purchasing all the bonds they can.

Offal is just as strong as the whole leather market. Pronounced firmness rules for all lines, especially for shoulders, which lead in point of demand and strength. Some late sales of good-description sole leather shoulders in oak ranged up to 50c., and this basis is generally demanded by sellers who previously were not naming over 48c. Bellies also are in a strong position. One tanner sold light scoured oak at 34c. for No. 1's, and lightweight oak rough bellies have been moved at 34c. Others sold tannery run at 34c. for medium and heavy, with lights at 32c. Some smaller lots of selected bellies sold as high as 35c.

Business in upper leather with local shoe factories has been quiet, but there are indications that trade may pick up rapidly. Previously, some buyers operated freely in advance of requirements on side upper and patent, in anticipation of higher prices to come. Quotations are hardening. Glazed kid tanners specializing in lining stock have stiffened on prices about 1c., as an average, and some grades are fully 2c. stronger than formerly. Practically all of the patent leather tanners have increased prices. Side upper leather prices also are strengthening.

Largest Influx of Buyers in Primary and Wholesale Markets for Several Weeks

BUYERS of dry goods came into the markets in larger numbers this week than for many weeks, but their operations were generally on a moderate scale. Several representatives of wholesalers have arrived and a very large influx is expected during the coming week, when a national association of dry goods wholesalers will be established and a director-general named. Many new lines of novelty and specialty fabrics for the Spring trade are being opened, and wholesalers are beginning to apply themselves on lines that have been opened for Fall distribution.

An unsettled cotton market and a slow demand for unfinished goods led to some irregularity in prices of gray cloths. Finished goods are holding steady. Wool goods have been steady, with a rising tendency. More business has been done in silk fabrics for Spring delivery. There has been a steady increase in the business offered on garments for Spring delivery, and retail clearances have continued to attract much attention and good buying.

Curtailment of production in the cotton goods industry continues to increase, the latest addition being in cotton yarn mills and in mills making chambrays and working-shirt materials. Cotton duck manufacturers have agreed to curtail their output one-third, and several have adopted a working schedule of forty hours per week. In silk and wool manufacturing channels, production is not expanding, as yet.

Visiting buyers representing the wholesale trade speak optimistically of the prospects for Spring trade in the Middle West, the Northwest and the South. In the garment division, the advent of an early Easter this year is given as a reason for anticipating an early Spring rush for goods not yet ordered.

Irregularity in Textile Prices

PRINT cloths and sheetings were sold at slight concessions from second hands during the early part of the week, following an irregular cotton market and a slight general demand. Printers are holding percale prices steady, while many of the lower lines of rayon, printed and dyed, are being offered at concessions. The higher grades of fine rayons are generally steady, but are in moderate demand. Wide sheetings and bleached cottons are steadier, curtailment of production in the former line having increased substantially. Cotton blankets are being ordered freely for Fall, but wide flannels still sell slowly. There has been a good demand for the better qualities of rayon bedspreads, and some of the finer lines of draperies and curtain materials have sold well for Spring.

The firmness of raw wool is a strengthening factor in the wool goods market. There is a good call for broadcloths and soft-finished worsted dress goods, but the general dress goods trade has been disappointing, thus far. In the men's wear division, clothing manufacturers are noting that retailers have begun to order moderately again, possibly with a view to "sweetening" their stocks that are being disposed of in clearance sales.

The raw silk markets have advanced, and a better trade is developing in printed silks and many of the fancy silks for Spring outer-wear. Sportswear lines are selling well.

Continued openings of large Eastern lines of knit underwear have occurred, and buyers are beginning to place business at new prices that are highly competitive, although 5 to 10 per cent. higher than those of a year ago. Competition for business in full-fashioned hosiery is very sharp, owing to the increased production.

Some of the linen houses report a reviving interest in the better grades of damasks for house purposes, and new printed dress linens are being sought. Burlap markets were quiet, with an easing tendency, following the news of very large shipments from Calcutta in December.

Exports of leather from the United States to Poland in 1925 were valued at \$532,937, increasing in 1926 to \$1,138,615 and, according to preliminary figures, were valued at \$1,291,727 during the first eleven months of 1927. It is interesting to note that the sales for the eleven months of last year were valued at more than the shipments for the entire year of 1926. Of the total leather exported from the United States to Poland during the first eleven months of last year, more than 70 per cent. consisted of upper leather.

STOCKS DEPRESSED AT TIMES

Market More Irregular and Less Active—Some Strong Spots Develop

TRANSACTIONS on the stock market fell off sharply in volume this week, and prices developed an irregular trend. Late in the week, sales were at an average of 1,000,000 shares daily smaller than in the same period of last week. The market was influenced chiefly by two factors—the decision of the Interstate Commerce Commission upholding the St. Paul reorganization plan, and the change in the Federal Reserve regulations, by which the reserve balances of the Federal Reserve member banks of New York City will be computed semi-weekly instead of on the weekly basis that heretofore prevailed. The market started strongly, but this buying soon wore itself out, and later in the week prices were moving somewhat erratically. All of the St. Paul issues were strong and active, following the announcement of the decision on the road's reorganization plan. This also resulted in a favorable sentiment regarding the railroad shares, as a group, and many advances were made.

Radio Corporation furnished a feature early in the week, with a strong advance, but sold off later. Oil shares were improved on expectations of higher crude prices. A favorable statement on unfilled steel orders caused a strong tone early in the week in United States Steel common, but these shares also reacted under liquidation. Strong spots in the market included Freeport Texas, General Asphalt and several others in the miscellaneous industrial list. Greene Cananea was under pressure, and sold forty points below the high point recorded in the previous week. General Motors also receded from its high levels. In the closing days of the week the market was decidedly dull.

The daily average closing quotations of sixty railway, ten industrial and five traction and gas stocks are appended:

	Last Year	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
R. R.	99.01	109.16	108.59	108.05	108.21	108.27	108.90
Ind.	127.19	168.88	167.98	167.32	167.41	167.73	168.48
G. & T.	109.78	132.32	130.85	130.78	130.75	132.85	133.35

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending Jan. 13, 1928	Stocks		Shares		Bonds		
	This Week	Last Year	This Week	Last Year	This Week	Last Year	
Saturday	1,672,400	820,700	8,396,000	\$9,896,000			
Monday	2,810,700	1,401,600	11,809,900	16,436,000			
Tuesday	3,321,600	1,325,600	14,216,000	15,469,000			
Wednesday	2,395,400	1,372,400	12,459,000	16,501,000			
Thursday	2,298,000	1,369,700	11,563,000	21,396,000			
Friday	2,159,300	1,362,000	14,203,000	18,666,000			
Total	14,667,400	7,652,000	\$72,646,000	\$98,364,000			

Increase in Unfilled Steel Orders.—Unfilled orders on the books of the United States Steel Corporation on December 31 were 3,972,874 tons, compared with 3,454,444 tons on November 30. This is an increase of 518,430 tons. The unfilled tonnage a year ago was 3,960,969 tons.

Period.	1927.	1926.	1925.	1924.	1923.
Jan.	3,800,177	4,882,739	5,037,323	4,798,429	6,910,776
Feb.	3,597,119	4,616,822	5,284,771	4,912,901	7,283,989
Mar.	3,553,140	4,279,935	4,863,564	4,782,807	7,403,332
Apr.	3,456,132	8,867,976	4,446,588	4,208,447	7,288,509
May	3,050,941	8,649,250	4,049,800	3,628,089	6,981,351
June	3,052,246	8,478,642	3,710,468	3,282,505	6,386,261
July	3,142,014	8,302,522	3,539,467	3,187,072	5,910,763
Aug.	3,196,037	3,542,335	3,512,803	3,289,577	5,414,663
Sept.	3,148,113	3,593,509	3,717,297	3,473,780	5,085,750
Oct.	3,641,000	3,683,661	4,109,183	3,525,270	4,672,825
Nov.	3,484,444	3,807,447	4,581,780	4,031,969	4,368,584
Dec.	3,972,874	3,960,969	5,033,364	4,816,676	4,445,339

List of Investment Suggestions upon request

WELLINGTON & CO.

Members New York Stock Exchange
Members Pittsburgh Stock Exchange

31 Pine Street - - - - - New York
Union Trust Bldg. - - - - - Pittsburgh

COTTON PRICE CHANGES NARROW

Small Fluctuations the Rule, With Increased Firmness in Late Trading

THERE was a comparatively narrow price movement in the local cotton market this week, and net changes, except in the October option, were small. That delivery was about 20 points lower at the close on Thursday than at the end of the preceding Saturday's session, whereas the losses in the other positions were slight. The extreme fluctuation during the week, up to the closing on Thursday, was 37 points, this variation being in December contracts. The local spot quotation gained a little, being 19.70c., against 19.65c. on the preceding Saturday.

At the beginning of this week, the market for futures had a downward trend under steady selling, much of which was credited to Wall Street and Southern interests. Lower Liverpool cables accelerated the decline in prices here, but the pressure relaxed on Tuesday and good support was rendered at that time by trade buying. The demand from that source centered on the near deliveries. In the midweek trading, renewed selling appeared, but it was rather scattered and trade purchases again helped to bolster the market at that period. The influence of this buying, not a little of which was said to be for European account, became more pronounced on Thursday, when prices had a good rally. The improvement was aided by considerable covering by shorts, while the Liverpool cables were better and there were reports of an expanding trade in Lancashire. The market toward the end of the week was regarded as being in a stronger technical position.

Daily closing quotations (cents per pound) of cotton futures in the New York market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
January	19.15	19.10	19.05	18.99	19.10	18.93
March	19.21	19.16	19.06	18.99	19.20	18.94
May	19.31	19.21	19.09	19.05	19.28	19.04
July	19.13	19.00	18.83	18.85	19.05	18.79
October	19.60	18.41	18.27	18.21	18.40	18.21

SPOT COTTON PRICES

	Fri.	Sat.	Mon.	Tues.	Wed.	Thurs.
Jan. 6	Jan. 7	Jan. 9	Jan. 10	Jan. 11	Jan. 12	
New Orleans, cents	18.51	19.31	19.22	19.22	18.18	19.84
New York, cents	19.35	19.35	18.60	18.60	18.70	18.70
Savannah, cents	19.55	19.36	19.38	19.31	19.29	19.45
Galveston, cents	19.60	19.45	19.40	19.26	19.20	19.35
Memphis, cents	19.00	18.80	18.75	18.65	18.60	18.80
Norfolk, cents	19.63	19.50	19.44	19.38	19.31	19.44
Augusta, cents	19.56	19.44	19.44	19.31	19.25	19.50
Houston, cents	19.50	19.30	19.25	19.15	19.10	19.30
Little Rock, cents	18.88	18.72	18.65	18.65	18.50	18.70
St. Louis, cents	19.00	19.00	19.00	19.00	19.00	19.00
Dallas, cents	18.80	18.60	18.55	18.40	18.35	18.50
Philadelphia, cents	.....	.....	.....	.....	.....	.....

Record Building Activity at Milwaukee

MILWAUKEE.—With the total of \$46,080,835 permits, the year 1927 broke all building records for Milwaukee. This figure exceeds the previous high record of \$45,633,569 in 1924 and is \$4,814,268 higher than the 1926 total. Included in the figures are seventy-two buildings, ranging in value from \$50,000 up to \$2,979,000, including schools, churches, factories, shops, apartments and hotel buildings. Housing accommodations were provided this year for 3,986 families.

Among the larger items shown in the report are: Single dwellings amounted to a total of \$7,351,312; duplex flats, \$4,569,170; hotels, \$3,725,000; store and apartment buildings, \$3,027,200; apartments, \$2,957,000; theaters, \$2,642,500; garages, \$2,347,893; public schools, \$1,573,987; public buildings, \$1,336,000; stores, \$1,241,725; alterations, \$3,693,713. The outlook for 1928 is promising, although there may not be so many small homes or duplex flats constructed.

Labor is plentiful and wages have undergone but little change for the past year. Market conditions for lumber and material is good. Production is normal, with steady demand. Some classes of brick have declined in price during the past year, also red cedar shingles and spruce lath. Building loans continue to be readily obtainable, with interest rates unchanged, the range being from 5 1/2 to 7.2 per cent.

There was more active buying of garments for future delivery by retailers during the week than at any time in the last four or five weeks.

GRAINS RALLY AFTER DECLINE

Considerable Irregularity Again Prevails—Decreases Occur in Most Visible Supplies

TRADING in the Chicago grain pits was sharply irregular during the first half of the week. Wheat was dull on Monday, closing with fractional declines. This was followed by a break in the late trading on Tuesday, with closing losses of $1\frac{1}{4}$ c. to $1\frac{1}{2}$ c. Lack of demand, a slow export trade and big receipts in Canada were held responsible for the decline. In the mid-week session, selling pressure relaxed and fair-sized net gains were recorded.

Corn was firm on Monday in preparation for the government report, and futures closed fractionally higher. Early trading on Tuesday was lifeless, but the yellow cereal followed the trend of wheat, closing with losses of more than 1c. for all deliveries. Largely on short covering by a Chicago operator, the market turned strong on Wednesday, with a net gain of more than 1c. in the March option.

Oats were fractionally higher in the opening trading, but broke with the other leaders on Tuesday. Rye likewise reacted in sympathy with the leading cereal, losses of a fraction on Monday being followed by a break of $\frac{3}{4}$ c. to $1\frac{1}{4}$ c. during the next day. Later, prices for both of these cereals recovered.

United States visible supply of grains for the week, in bushels: Wheat, 84,019,000, off 1,558,000; corn, 28,673,000, up 1,639,000; oats, 21,672,000, off 235,000; rye, 3,195,000, off 31,000; barley, 2,493,000, off 194,000.

Daily closing quotations of wheat options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March	1.30 $\frac{1}{4}$	1.29 $\frac{1}{4}$	1.28 $\frac{1}{4}$	1.28 $\frac{1}{4}$	1.28 $\frac{1}{4}$	1.29 $\frac{1}{4}$
May	1.31 $\frac{1}{4}$	1.30 $\frac{1}{4}$	1.29 $\frac{1}{4}$	1.30	1.29 $\frac{1}{4}$	1.30 $\frac{1}{4}$
July	1.27 $\frac{1}{4}$	1.26 $\frac{1}{4}$	1.25 $\frac{1}{4}$	1.25 $\frac{1}{4}$	1.25 $\frac{1}{4}$	1.26 $\frac{1}{4}$

Daily closing quotations of corn options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March	87 $\frac{1}{4}$	87 $\frac{1}{4}$	86 $\frac{1}{4}$	87 $\frac{1}{4}$	89 $\frac{1}{4}$	89 $\frac{1}{4}$
May	91 $\frac{1}{4}$	91 $\frac{1}{4}$	90 $\frac{1}{4}$	91 $\frac{1}{4}$	92	92
July	93 $\frac{1}{4}$	93 $\frac{1}{4}$	92 $\frac{1}{4}$	93	93 $\frac{1}{4}$	93 $\frac{1}{4}$

Daily closing quotations of oats options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March	53 $\frac{1}{4}$	54	53 $\frac{1}{4}$	53 $\frac{1}{4}$	54 $\frac{1}{4}$	54 $\frac{1}{4}$
May	55 $\frac{1}{4}$	55 $\frac{1}{4}$	54 $\frac{1}{4}$	55 $\frac{1}{4}$	55 $\frac{1}{4}$	55 $\frac{1}{4}$
July	52 $\frac{1}{4}$	52 $\frac{1}{4}$	51 $\frac{1}{4}$	52 $\frac{1}{4}$	52 $\frac{1}{4}$	52 $\frac{1}{4}$

Daily closing quotations of rye options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March	1.08 $\frac{1}{4}$	1.08 $\frac{1}{4}$	1.07 $\frac{1}{4}$	1.08 $\frac{1}{4}$	1.08 $\frac{1}{4}$	1.08 $\frac{1}{4}$
May	1.09 $\frac{1}{4}$	1.08 $\frac{1}{4}$	1.07 $\frac{1}{4}$	1.09	1.08 $\frac{1}{4}$	1.09 $\frac{1}{4}$
July	1.03 $\frac{1}{4}$	1.03 $\frac{1}{4}$	1.02	1.04	...	...

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat		Flour		Corn	
	Western	Atlantic	Atlantic	Western	Atlantic	Exports
Friday	711,000	333,000	6,000	720,000	54,000	
Saturday	824,000	510,000	1,000	720,000	54,000	
Monday	1,024,000	567,000	9,000	1,288,000	...	
Tuesday	877,000	427,000	25,000	1,220,000	...	
Wednesday	789,000	358,000	15,000	888,000	85,000	
Thursday	770,000	...	5,000	854,000	...	
Total	4,792,000	2,248,000	74,000	5,732,000	119,000	
Last Year	4,347,000	3,956,000	122,000	4,609,000	68,000	

Building Trade at Saginaw

SAGINAW.—The building industry in this district was somewhat more active during 1927 than it was during 1926, and the prospects appear to be favorable for continued activity during 1928. The number of building permits issued during 1927 was slightly smaller than the record in 1926, although the aggregate cost of buildings was somewhat more than it was in 1926. The amount expended in the building of homes was approximately one-third, the balance being mostly for business buildings and some for additions to factories and industrial plants. There has been a moderate demand for building material of various kinds, prices remaining about the same as for the past year, and there also has been a fairly good supply of labor at normal wages.

DUN'S REVIEW

SURVEY OF BUILDING INDUSTRY

(Continued from page 15)

time. December showed a loss also. Total permits for the year were \$352,936,400, as compared with \$366,586,400 in 1926 and \$360,794,050 in 1925. The year 1927 ranks third highest in history.

Building material dealers express satisfaction with volume of the past year, although it was not up to that of the previous year. There has been the seasonable let-up in sand and gravel business, some plants being temporarily closed, but all are carrying a surplus stock to take care of demand.

Legitimate propositions seem to have no difficulty in obtaining the financial assistance needed, although during the year there was a little closer scrutiny of propositions offered. At present, there is an oversupply of labor, due to the floating population that drifts into Chicago each Winter. Percentage of unemployment among resident mechanics is not unfavorable for time of year. Relations with labor during the year were, on the whole, clear of disturbances of any importance. Wage scales generally were recognized, and there was practically no fluctuation during the year.

The new year is starting out under favorable circumstances. While there is a seasonable let-up in the smaller construction, builders are looking for a large amount of major work. The recent favorable decision, allowing railroads to dispose of air rights over downtown trackage, opens up a large area for new construction, and a number of projects are practically decided on, including office buildings, warehouses and similar structures.

CINCINNATI.—The local building industry closed the year 1927 showing satisfactory progress, and plans announced or under way give promise of a steady and upward movement for the new year. Permits issued during 1927 numbered 27,661, calling for improvements costing \$37,600,000, compared with the previous year's record of 21,350 permits, aggregating a value of \$36,900,000. There was a decided increase in residence construction, this class of work averaging about 50 per cent. of the 1927 total, as against 37 per cent. during the previous year. The market for dwellings is fairly easy. Houses constructed during the inflation period have dropped considerably in selling price, but values on those properties constructed under more stable conditions have held fairly steady.

Among larger building improvements announced are an office building to cost over \$2,000,000, municipal buildings, an incinerator fire department, a university and a seminary. Millions will be expended in the construction of a new railroad freight and passenger terminal, with an extensive program of street sewer and park improvements. Prices of material declined slightly during the year, while conditions in the building trades were free of any major disputes and wages are steady and fractionally higher in some instances. Funds are ample for desirable loans, demand generally being active, and building and loan rates continue around 6 $\frac{1}{2}$ to 7 per cent.

TOLEDO.—Building operations now are seasonably slow. The year just passed showed a substantial gain in the value of new buildings erected, 1927 indicating over \$12,000,000 of new operations, as against slightly less than \$10,000,000 for 1926. During the latter part of the year there was a slump in residential buildings, the demand for houses having been pretty well supplied earlier in the year. That branch of the industry still is a little slow.

The year is starting out with no great increase, but work being up to about normal, due mainly to commercial and public buildings. With new work that has been announced, but for which contracts have not been let, 1928 is getting a fair start in this line. There is a plentiful supply of labor. Wages for skilled mechanics are holding fairly firm, but there has been a slight recession in the pay of unskilled workmen. There is a plentiful supply of materials available, with prices in structural steel being maintained, but in other branches of supplies there is some weakening in prices. Money is plentiful at reasonable rates.

WHOLESALE QUOTATIONS OF COMMODITIES

Corrected each week to Friday

ARTICLE	This Week	Last Year	ARTICLE	This Week	Last Year	ARTICLE	This Week	Last Year			
Apples: Common.....	bbl	3.50	2.00	Cutch.....	lb	15	18	Palm, Lagos.....	lb	8	8 1/2
Fancy.....		10.00	5.00	Gambier.....		5	5 1/2	Petroleum, cr., at well.....	bbl	2.80	3.15
BEANS: Marrow, choice, 100 lb		7.75	7.00	Indigo, Madras.....		1.13	1.18	Kerosene, wagon delivery.....	gal	15	18
Pea, choice.....	"	6.65	5.75	Prussia, potash, yellow.....		18 1/2	18 1/2	Gas's auto in gar., st. bbls.....		17	21
Red Kidney, choice.....	"	7.75	8.75	Indigo Paste, 20%.....		14 1/2	14 1/2	Min. lub, dark filtered E.....		25	27 1/2
White kidney, choice.....	"	10.00	—	FERTILIZERS:				Dark filtered D.....		31	33
BUILDING MATERIAL:				Bones, ground, steamed 1 1/4%, am., 60% bone phosphate, Chicago.....		28.00	28.00	Wax, red, 125 m. p.....	lb	3.70	5%
Brick, Hudson R. com.....	1000	12.50	17.00	Muriate potash 80%.....	ton	36.40	36.40	Rosin, first run.....	lb	57	80
Portland Cement, N. Y., Trk.		2.05	—	Nitrate soda.....	100 lbs	2.40	2.63	Soa-Bean, tank, coast, prompt.....	"	9%	9 1/2
loads, delivered.....		2.85	—	Sulphate ammonia, domestic, f.o.b. works.....	100 "	2.40	2.50	Spot.....	"	—	—
Chicago, carloads.....		2.05	—	Sulphate potash bs, 90%.....	ton	47.30	47.30	PAINTS: Litharge, Am.....	lb	9	10 1/2
Philadelphia, carloads.....		2.21	—	FLOUR: Spring Pat.....	196 lbs	6.85	7.25	Ochre, French.....	"	3 1/2	4 1/2
Lath, Eastern spruce.....	1000	6.00	7.30	Winter, Soft Straight.....		6.25	6.35	Paris, White, Am.....	100	1.25	1.25
Lime, hyd., masses, N. Y., ton		1.00	—	Fancy Minn. Family.....	"	8.35	8.90	Red Lead, American.....	"	10	11
Shingles, Cyp. Pr. No. 1.....	1000	13.00	13.00	GRAIN: Wheat, No. 2 R.....	bu	1.50%	1.54%	Vermilion, English.....	"	1.85	1.50
Red Cedar, Clear.....	1000	3.80	4.26	Corn, No. 2 yellow.....	"	1.08	1.12	White Lead in Oil.....	"	13 1/2	14 1/2
BURLAP, 10 1/2-in. 40-in.....	yd	9.90	10.20	Oats, No. 3 white.....	"	63 1/2	55 1/2	" dry.....	"	8 1/2	9%
8-in. 40-in.....		7.00	6.70	Rye, No. 2.....	"	1.19%	1.17%	Whiting, Commercial.....	100	1.00	85
COAL: f.o.b. Mines.....	ton			Buckwheat, mottling.....	"	1.07%	1.08	Zinc, American.....	"	6 1/2	6 1/2
Bituminous:				Hay, No. 1.....	100 lbs	1.15	1.30	F. P. R. S.....	"	9%	9%
Navy Standard.....	"	\$2.25-\$2.75		Straw, br. rye.....	"	1.15	1.30	PAPER: News roll.....	100 lbs	3.25	3.25
High Volume, Steam.....		1.30-1.50		HEMP: Midway, ship.....	lb	15%	18 1/2	Book, S. S. & C.....	lb	6.35	7
Anthracite:				HIDES: Chicago:				Writing, tub-sized.....	"	10	10
Stove (independent).....		9.00-9.35		Packer, No. 1, native.....	lb	26 1/2	15 1/2	No. 1 Kraft.....	"	6.25	6.25
Chestnut (independent).....		5.75-6.00		No. 1 Texas.....	"	26	14 1/2	Boards, chin.....	"	42.50	42.50
Pea (independent).....		9.25-9.35		Colorado.....	"	25 1/2	14	Boards, straw.....	"	50.00	57.50
Chestnut (Company).....		8.75-8.85		Cows, heavy native.....	"	25 1/2	13 1/2	Boards, wood pulp.....	"	80.00	67.50
Pea (Company).....		6.25-6.40		Branded Cows.....	"	24	13	Sulphite, Dom. bl.....	100 lbs	3.75	3.75
COFFEE, No. 7 Rio.....	lb	14%	15 1/2	No. 1, buff hides.....	"	22 1/2	12	Old Paper No. 1 Mix.....	"	50	40
" Santos No. 4.....		21 1/2	19 1/2	No. 1, extremes.....	"	25	14 1/2	PEAS: Yellow split.....	"	6.75	6.00
COTTON GOODS:				No. 1 Kip.....	"	24	13	PLATINUM.....	oz	69.00	110.00
Brown sheetings, standard.....	yd	13 1/2	11 1/2	No. 1 calfskins.....	"	25	13	PROVISIONS, Chicago:			
White sheetings, 10 1/2-in.....		55	52	Chicago City calfskins.....	"	20	17 1/2	Beef, stews, live.....	100 lbs	10.50	10.50
Wheated sheetings, stand.....		17 1/2	16	HOPS: N. Y. prime '26.....	"	55	55	Beefs, live.....	"	8.00	11.95
Medium.....		12 1/2	11 1/2	JUTE: Shipment.....	"	7 1/2	7 1/2	Lard, N. Y., Mid. W.....	"	12.40	12.80
Brown sheetings, 4 rd.....		10 1/2	8 1/2	LEATHER:				Pork, mess.....	bbl	31.00	31.50
Standard prints.....		9	8	Union backs, t.r.....	"	62	43	Lambs, best fat.....	100 lbs	13.25	—
Brown drills, standard.....		13 1/2	11	Scoured un-backed, No. 1.....	"	64	47	Sheep, fat ewes.....	"	6.50	—
Staple Ginghams.....		10 1/2	9	Belting, Butts, No. 1, light.....	"	79	57 1/2	Short ribs, sides l'se.....	"	11.00	15.50
Print cloths, 38 1/2-in. 84x60.....		8-8 1/2	6 1/2	LUMBER: *				Bacon, N. Y., sq. loose.....	lb	13 1/2	20 1/4
Hose, beiting, duck.....		35-36	27 1/2	W. e. s. t. e. r. n. Hemlock Water Ship, c. l. f.	"	23	12	Hams, N. Y., big, in tcs.....	"	16 1/2	22 1/2
DAIRY:				Water, per M. ft.	"	31.00		Tallow, N. Y., sq. loose.....	lb	8 1/2	7 1/2
Butter, creamery, extra.....	lb	48	48	White Pine, No. 1.....	"	62.00	71.00	RICE: Dom. Fancy head.....	"	7 1/2	8
Cheese, N. Y., Fresh spec.....		29	27	FAS: Quartered Wh.	"	154.00	159.00	Blue Rose, choice.....	"	4 1/2	5
Eggs, nearby, fancy.....	doz	55	48	FAS: Plain Wh. Oak.	"	115.00	119.00	Foreign, Saigon No. 1.....	"	3.75	3.75
Fresh gathered, firsts.....		48 1/2	43	FAS: Plain, Red Gum.	"	105.00	108.00	RUBBER: Up-River, fine.....	"	31 1/2	33
DRIED FRUITS:				FAS: Poplar, 4 1/2, 7 to 10"	"	122.00	121.50	Pian, 1st Latex crude.....	"	40%	40%
Apples, evaporated, choice.....	lb	17	10 1/2	FAS: Ash 4 1/2", 9 to 12"	"	95.00	107.00	SALT: *.....	200 lb. sack	2.00	—
Apricots, choice, 1927.....		18	12 1/2	FAS: Birch, Red, 4 1/2", 9 to 12"	"	46.00	45.00	SALT FISH:			
Apricots, imported.....		21	22	FAS: Cypress, 4 1/2", 9 to 12"	"	125.00	125.00	Mackerel, Norway fat No. 3 bbl.		28.00	—
Oranges, cleaned.....		13	10	FAS: Chestnut, 4 1/2", 9 to 12"	"	101.00	102.50	Cod, Grand Banks.....	100 lbs	10.00	10.00
Lemon, peel.....		16	15	FAS: E. Maple, 4 1/2", 9 to 12"	"	165.00	170.00	SILK: Italian Ex. Clas.	lb	5.72	6.00
Orange peel.....		17	16	FAS: H. Maple, 4 1/2", 9 to 12"	"	55.00	56.00	Japan, Extra Crack.....	"	5.17	5.90
Peaches, Cal. standard.....		10	12 1/2	FAS: Canada Spruce, 2x4", 4x4", 6x6", 8x8", 10x10", 12x12", 14x14", 16x16", 18x18", 20x20", 22x22", 24x24", 26x26", 28x28", 30x30", 32x32", 34x34", 36x36", 38x38", 40x40", 42x42", 44x44", 46x46", 48x48", 50x50", 52x52", 54x54", 56x56", 58x58", 60x60", 62x62", 64x64", 66x66", 68x68", 70x70", 72x72", 74x74", 76x76", 78x78", 80x80", 82x82", 84x84", 86x86", 88x88", 90x90", 92x92", 94x94", 96x96", 98x98", 100x100", 102x102", 104x104", 106x106", 108x108", 110x110", 112x112", 114x114", 116x116", 118x118", 120x120", 122x122", 124x124", 126x126", 128x128", 130x130", 132x132", 134x134", 136x136", 138x138", 140x140", 142x142", 144x144", 146x146", 148x148", 150x150", 152x152", 154x154", 156x156", 158x158", 160x160", 162x162", 164x164", 166x166", 168x168", 170x170", 172x172", 174x174", 176x176", 178x178", 180x180", 182x182", 184x184", 186x186", 188x188", 190x190", 192x192", 194x194", 196x196", 198x198", 200x200", 202x202", 204x204", 206x206", 208x208", 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THE YEAR'S INSOLVENCY RECORD

(Continued from page 8)

crease, and the total reported for that month is 2,162. This is approximately 16 per cent. above the number for the shorter month of November, is about 21 per cent. in excess of October's defaults and marks the highest level touched since last January. The number of insolvencies invariably rises toward the end of a year and particularly in the last month, when there is some added strain in connection with the annual settlements. Last year, in December, failures numbered 2,069, or only some 4 per cent. below the total for that month of 1927 and 13 per cent. more than the number for November, 1926. In respect to the liabilities, the amount for December of the year just ended increased to \$51,062,253 from approximately \$36,100,000 in November. The December aggregate is considerably higher than the amount involved a year ago, when the liabilities were \$45,620,000. In December, 1925, '24 and '21 they were in excess of \$50,000,000, while in December, 1922, nearly \$73,800,000 was shown. The high mark for 1927 was attained in March at about \$57,900,000.

The monthly record of commercial failures in the United States shows that the high point last year, in number of defaults, was reached in January, with a total of 2,465. It was in March, however, that the liabilities touched their top mark, at \$59,890,905. As usually is the case, September had the smallest number of insolvencies—1,573—and in this month, also, the indebtedness fell to its lowest level of the year, at \$32,786,125.

In the following table, the number and liabilities of commercial failures in the United States, by months, are given, the manufacturing and trading classes being tabulated separately:

ALL COMMERCIAL										
	Number	1927	1926	1925	1924	1923	1922	1921	1920	1919
January	2,465	2,296	2,317	2,108	\$51,290,292	\$45,621,444	\$54,554,022			
February	2,035	1,801	1,793	1,730	46,140,116	34,176,870	40,123,017			
March	2,443	2,159	1,559	1,717	48,809,905	36,624,547	34,004,731			
April	2,088	1,957	1,939	1,707	53,155,727	38,487,321	37,188,622			
May	1,852	1,730	1,767	1,816	37,784,773	33,543,318	37,026,552			
June	1,833	1,708	1,745	1,607	34,465,165	29,407,523	36,701,496			
July	1,756	1,605	1,685	1,615	43,149,974	29,680,000	34,505,191			
August	1,708	1,583	1,513	1,520	39,195,953	28,129,660	37,155,861			
September	1,573	1,437	1,465	1,306	32,786,125	29,989,817	30,687,819			
October	1,787	1,763	1,581	1,696	36,235,872	33,230,720	29,543,870			
November	1,864	1,830	1,672	1,653	36,146,573	32,693,993	35,922,421			
December	2,162	2,069	1,878	2,040	51,062,253	45,619,578	36,528,160			

MANUFACTURING										
	Number	1927	1926	1925	1924	1923	1922	1921	1920	1919
January	501	510	480	505	\$19,996,202	\$16,093,950	\$11,909,187			
February	411	447	409	398	10,518,450	10,822,319	15,334,214			
March	569	469	429	484	22,367,655	9,861,821	13,374,584			
April	492	494	430	435	25,277,590	16,735,792	18,697,046			
May	444	437	400	507	13,801,558	16,157,115	18,183,046			
June	427	435	410	416	18,860,216	16,600,303	19,940,040			
July	418	396	418	416	17,742,565	11,167,484	10,931,798			
August	438	419	365	414	14,921,067	12,615,585	22,338,628			
September	389	374	388	360	15,348,867	10,092,741	8,167,172			
October	488	450	408	411	17,134,042	14,691,671	11,264,337			
November	478	440	442	361	12,785,562	16,097,444	13,993,701			
December	597	494	490	475	29,024,363	18,758,491	12,931,276			

TRADING										
	Number	1927	1926	1925	1924	1923	1922	1921	1920	1919
January	1,842	1,696	1,757	1,538	\$24,530,455	\$21,511,872	\$24,654,579			
February	1,508	1,285	1,250	23,405,612	20,317,275	21,066,839				
March	1,468	1,234	1,345	1,254	28,191,482	18,622,793	17,594,994			
April	1,342	1,378	1,427	1,178	22,307,734	19,098,768	21,535,911			
May	1,292	1,216	1,256	1,215	19,977,866	15,709,760	15,815,907			
June	1,310	1,160	1,229	1,084	17,856,038	15,525,130	17,218,189			
July	1,187	1,122	1,184	1,124	16,832,346	14,614,282	15,061,174			
August	1,174	1,071	1,069	1,024	14,702,047	14,095,543	14,600,130			
September	1,083	958	1,015	883	12,051,739	11,242,485	14,989,871			
October	1,170	1,205	1,111	1,186	14,657,147	15,874,320	13,529,784			
November	1,276	1,285	1,146	1,193	16,949,262	14,157,616	18,907,091			
December	1,430	1,469	1,307	1,464	16,732,633	20,578,934	20,635,051			

Banking Suspensions in 1927

IN sharp contrast to the showing made by commercial failures, banking suspensions in the United States last year fell off appreciably. This is true both of the number and liabilities, the former declining 35.4 per cent. and the latter 32.4 per cent. from the totals for 1926. Thus, banking and other fiduciary suspensions during the year recently ended numbered 393, with an indebtedness of \$143,449,246, the number comparing with 608 in 1926, when the amount involved was \$212,074,999. Improvement also appears over the returns for 1925; in that year, the suspensions numbered 464, for \$164,698,516.

A geographical analysis of the statistics shows that no banking suspensions were reported in New England for either last year or 1926. Elsewhere, the most striking numerical reductions last year were in the South Atlantic States and in the Central West, the last-named section having 146 fewer suspensions than in 1926, while there was a

decrease of 105 in the South Atlantic States. The only considerable increases were in the Central East and on the Pacific Coast. The sharp falling off in the liabilities for the country, as a whole, is accounted for by the much smaller totals for the South Atlantic States and for the Central Western section, although there was a fairly sizable contraction in the indebtedness for the South Central States.

A comparison of banking suspensions in the different geographical sections follows:

Section	Number	1927	1926	Liabilities	1927	1926
New England	3	3		\$1,887,759		
Middle Atlantic	3	3		42,375,470	71,059,471	
South Atlantic	45	150		19,402,737	22,604,933	
Central East	64	63		19,684,880	18,571,400	
Central West	43	19		47,161,910	102,348,775	
Western	196	342		3,950,100	8,238,420	
Pacific	17	21		8,986,390	3,327,000	
Total	393	608		\$143,449,246	\$212,074,999	

A compilation made by DUN'S REVIEW separates the large commercial failures from the greater number of smaller defaults, and the record for 1927 disclosed 708 insolvencies with liabilities of \$100,000, or more, in each instance, involving \$265,387,741 altogether. Numerically, the insolvencies of exceptional size last year compare with 610 in 1926 and also exceed the totals for 1925 and 1924, but are less than in 1923, 1922 and 1921. In point of indebtedness, the amount of the large failures last year contrasts with \$171,617,704 in 1926 and with \$208,289,053 in 1925, but shows reductions from the figures for the four years immediately prior to 1925.

The large and small failures in the United States are compared below for seventeen years:

MANUFACTURING										
	Total	Under \$100,000	Over \$100,000	Under $100,000	Over $100,000	Under $100,000	Over $100,000	Under $100,000	Over $100,000	Under \$100,000
1927	5,682	\$211,504,826	359	\$128,612,044	5,323	\$72,892,782	13,694			
1926	5,395	158,042,016	321	84,195,937	5,074	73,846,029	14,554			
1925	5,090	167,684,839	282	97,786,859	4,808	69,897,880	14,528			
1924	5,208	286,770,260	253	205,766,703	4,855	81,003,557	16,685			
1923	4,968	281,316,205	283	214,929,796	4,585	68,386,409	14,479			
1922	5,682	214,925,388	269	132,790,993	5,313	82,134,395	15,459			
1921	4,495	232,907,185	410	162,495,468	4,085	70,411,248	17,287			
1920	2,630	127,992,471	230	89,933,982	2,405	38,058,459	15,825			
1919	1,865	51,614,216	100	29,644,087	1,765	21,970,120	12,448			
1918	2,166	75,381,594	132	44,171,393	2,634	29,210,301	11,089			
1917	3,693	79,643,507	147	43,435,232	3,544	36,108,736	10,189			
1916	4,196	72,999,580	116	29,257,548	4,080	43,742,032	10,721			
1915	5,116	112,026,484	163	58,700,533	4,953	53,325,951	10,769			
1914	4,620	135,636,279	216	93,548,237	4,404	42,088,042	9,557			
1913	4,242	123,122,528	213	74,134,110	4,020	48,988,418	12,156			
1912	3,839	86,719,832	146	41,854,150	3,693	44,885,682	12,149			
1911	3,502	87,371,623	181	48,099,935	3,211	39,271,688	11,825			

ALL COMMERCIAL										
	Total	Under \$100,000	Over \$100,000	Under $100,000	Over $100,000	Under $100,000	Over $100,000	Under $100,000	Over $100,000	Under \$100,000
1927	23,146	\$520,104,268	708	\$265,387,741	22,438	\$254,716,527	11,352			
1926	21,773	409,232,278	610	171,617,704	21,163	237,614,574	11,228			
1925	21,214	443,742,272	591	208,289,053	20,623	235,455,219	11,417			
1924	20,615	443,225,449	650	200,344,383	19,965	242,881,068	12,165			
1923	18,718	539,336,806	743	231,127,661	17,975	218,249,145	12,142			
1922	23,676	627,396,251	688	232,842,826	22,808	300,055,425	13,186			
1921	19,652	627,401,883	873	275,126,153	18,779	252,275,730	13,432			
1920	8,381	295,121,805	453	193,809,042	8,428	103,313,763				

FAILURES BY BRANCHES OF BUSINESS—FIVE YEARS

MANUFACTURERS	NUMBER					LIABILITIES				
	1927	1926	1925	1924	1923	1927	1926	1925	1924	1923
Iron, Foundries and Nails.....	129	80	57	60	79	\$18,125,588	\$5,895,850	\$2,208,514	\$7,863,813	\$7,445,738
Machinery and Tools.....	254	312	412	471	495	12,932,562	19,949,437	18,319,309	50,322,744	50,623,510
Woolens, Carpets & Knit Goods.	36	48	70	63	42	1,537,259	3,193,381	4,865,828	4,883,074	3,170,789
Cottons, Lace and Hosiery.....	20	21	10	16	49	4,815,599	5,145,130	784,308	2,188,684	12,014,739
Lumber, Carpenters & Coopers.....	8,0	644	466	378	453	43,985,781	21,218,334	20,833,758	11,567,462	15,256,611
Clothing and Millinery.....	494	585	624	673	645	12,551,062	11,439,747	10,771,537	15,255,847	12,357,684
Hats, Gloves and Furs.....	153	121	85	142	161	2,499,608	2,278,295	1,963,628	7,653,363	3,836,595
Chemicals and Drugs.....	64	61	78	78	72	3,711,555	1,428,556	3,410,512	42,119,313	7,462,930
Paints and Oils.....	11	17	23	16	13	261,600	536,998	399,300	331,000	776,518
Printing and Engraving.....	264	230	198	191	165	7,613,016	3,490,448	3,910,495	3,621,178	15,651,959
Milling and Bakers.....	461	500	518	449	485	5,011,852	5,031,439	4,529,375	5,510,279	5,693,855
Leather, Shoes and Harness.....	140	133	163	200	205	7,870,414	4,028,546	5,020,555	6,979,675	
Tobacco, etc.	104	89	98	108	110	4,224,330	3,912,100	4,335,699	3,524,400	5,006,602
Glass, Earthenware and Brick.....	91	65	65	92	73	8,400,137	37,211,829	4,839,939	5,624,004	4,475,778
All Other.....	2,620	2,489	2,252	2,271	1,921	77,889,983	68,374,975	81,352,682	121,384,363	130,863,222
Total Manufacturing.....	5,682	5,395	5,090	5,208	4,968	\$211,504,826	\$158,042,016	\$167,684,839	\$286,770,260	\$281,316,205
TRADERS										
General Stores.....	1,214	1,217	1,305	1,452	1,512	\$18,739,646	\$17,396,419	\$20,007,586	\$16,927,255	\$24,119,655
Groceries, Meat and Fish.....	3,543	3,633	3,355	3,067	2,882	29,307,253	26,636,914	29,756,843	26,783,067	25,935,596
Hotels and Restaurants.....	1,046	928	1,072	843	739	18,241,755	13,869,246	12,494,224	10,510,282	12,473,029
Tobacco, etc.	232	277	328	320	302	1,704,078	2,472,792	2,883,943	2,348,269	2,841,432
Clothing and Furnishings.....	2,157	2,058	2,118	2,072	1,561	28,523,813	24,708,183	33,151,013	27,204,803	28,513,160
Dry Goods and Carpets.....	1,187	1,021	1,035	959	874	22,090,483	19,405,331	21,615,922	27,052,155	17,806,063
Shoes, Rubbers and Trunks.....	729	597	732	731	667	8,683,442	6,452,607	8,221,067	11,064,687	9,463,588
Furniture and Crockery.....	680	608	631	559	884	11,501,429	11,771,322	10,743,808	8,295,329	12,578,432
Hardware, Stoves and Tools.....	465	432	413	379	412	7,558,752	7,550,220	8,432,895	6,880,865	6,584,749
Chemicals and Drugs.....	714	632	405	528	490	7,907,591	6,325,024	5,677,118	5,110,990	7,233,355
Paints and Oils.....	55	83	72	57	69	932,229	958,407	927,542	643,501	765,620
Jewelry and Clocks.....	429	406	445	355	294	7,591,560	7,168,102	8,357,103	5,858,793	4,706,046
Books and Papers.....	142	121	112	98	116	2,660,587	2,431,569	1,418,433	1,041,919	1,223,242
Hats, Furs and Gloves.....	92	91	114	114	88	1,592,318	1,030,638	1,710,921	1,850,415	1,642,010
All Other.....	3,370	3,168	2,934	2,861	2,641	61,367,463	50,443,710	50,564,682	51,703,787	51,166,365
Total Trading.....	16,082	15,268	15,161	14,393	13,064	\$228,194,421	\$201,333,973	\$215,368,517	\$203,190,115	\$209,930,272
Agents, Brokers, etc.	1,382	1,110	963	1,014	686	80,405,021	49,856,289	60,690,863	53,265,074	48,140,329
Total Commercial.....	23,146	21,773	21,214	20,615	18,718	\$520,104,268	\$409,232,278	\$443,744,272	\$543,225,449	\$530,386,806

[NOTE.—Iron, Woolens and Cottons include all the branches of those manufactures; Machinery includes vehicles, shipbuilding, hardware, fixtures and implements; Lumber includes saw, planing, sash and door mills and furniture; Clothing includes tailors, men's and women's clothing, also furnishings; Chemicals include chemical fertilizers; Printing includes books and maps; Leather and shoes include saddlery and trunks; Glass includes pottery, lime, cement, quarry and stone; Groceries include creamery, tea and coffee; Hotels include lodging houses and caterers; Dry Goods include department stores, curtains and draperies; Furniture includes glass and glassware; Hardware includes implements and utensils; and Jewelry includes watches and optical goods. Brokers include agents, commission men, real estate agents, insurance, storage, express, harbor lines, etc.]

classifications disclose reductions, these being machinery and tools, woolens, carpets and knit goods, cottons, lace and hosiery, paints and oils, and milling and bakers. The trading division, however, reveals a smaller number of insolvencies last year only in general stores, groceries, meat and fish, and tobacco, etc., while only four groups show a reduced indebtedness—namely, groceries, meat and fish, tobacco, etc., furniture and crockery, and paints and oils.

FAILURES BY BRANCHES OF BUSINESS—DECEMBER, 1927

MANUFACTURERS	Number					Liabilities				
	1927	1926	1925	1924	1923	1927	1926	1925	1924	1923
Iron, Foundries and Nails.....	10	10	6	\$85,558	\$481,100					
Machinery and Tools.....	35	33	32	690,545	2,249,236					
Woolens, Carpets & Knit Goods.	6	3	3	90,900	245,000					
Cottons, Lace and Hosiery.....	2	1	1	312,000	800,000					
Lumber, Carpenters & Coopers.....	95	60	53	\$0,571,598	2,480,730					
Clothing and Millinery.....	49	51	69	1,010,471	925,637					
Hats, Gloves and Furs.....	35	11	18	472,725	247,826					
Chemicals and Drugs.....	5	9	1	1,527,600	64,613					
Paints and Oils.....	2	6	6	34,600	.....				
Printing and Engraving.....	22	11	13	208,511	100,111					
Milling and Bakers.....	55	38	42	54,498	276,275					
Leather, Shoes and Harness.....	11	14	13	85,040	407,418					
Tobacco, etc.	9	11	7	2,261,100	298,965					
Glass, Earthenware and Brick.....	13	5	5	5,966,313	221,420					
All Other.....	240	241	216	6,367,410	7,954,150					
Total Manufacturing.....	597	494	490	\$29,024,365	\$16,758,491					

TRADERS

SECTION	Week		Five Days		Five Days		Week	
	Jan. 12, 1928	Over	Jan. 5, 1928	Over	Jan. 29, 1927	Over	Jan. 13, 1927	Over
East.....	160	243	139	193	126	169	131	191
South.....	82	153	72	120	70	106	108	171
West.....	87	186	70	131	62	107	84	155
Pacific.....	21	52	29	63	23	41	33	64
U. S.	350	628	310	509	281	423	356	581
Canada.....	28	70	19	36	19	34	23	54

Commercial Defaults in Canada

Each of the last five years has shown a reduction in the commercial mortality in Canada, both in number of failures and amount of liabilities, and the statistics for 1927 disclose 2,182 defaults, involving \$34,461,595. These totals compare with 2,196 insolvencies in 1926, with an indebtedness of \$37,082,882, the numerical decrease last year being 0.6 per cent., and the decline in the liabilities slightly exceeding 7 per cent. The number of failures for 1927 is the smallest for all years since 1920, and this also is true of the indebtedness. From the high point of 3,695 defaults for \$78,068,959, established in 1922, the latest returns show a numerical reduction of about 41 per cent., and a contraction in the liabilities of nearly 56 per cent.

Examined by separate Provinces, last year's statistics reveal fewer defaults than in 1926 in Ontario, Nova Scotia, Manitoba and New Brunswick, the decreases ranging from 6 in Manitoba to 45 in Ontario. Relatively, the best showing is made by Nova Scotia, with a falling off of 24 per cent. In point of indebtedness, smaller amounts were recorded last year in Ontario, British Columbia, Nova Scotia, Newfoundland and Manitoba, varying from about \$225,000 in Newfoundland to approximately \$2,900,000 in Ontario.

The further improvement in the Canadian insolvency record last year occurred mainly in manufacturing and trading lines, these divisions showing reductions in the number of failures and also in the amount of liabilities.

Record of Week's Failures

FOLLOWING the seasonal trend, the number of failures in the United States has increased during January, and this week's total is 628. This is 47 in excess of the 581 defaults of a year ago, when the tendency also was upward. Comparing with the returns for that period, both the South and the Pacific Coast show fewer insolvencies this week, the

CANADIAN FAILURES—1927

PROVINCES	TOTAL COMMERCIAL		MANUFACTURING		OTHER COM'L		TRADING		BANKING		
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
Ontario	636	\$7,743,791	\$10,063,490	159	\$4,852,485	441	\$4,655,141	36	\$555,804	..	..
Quebec	869	11,200,552	16,684,868	221	7,890,287	592	7,273,941	56	1,026,640	..	..
British Columbia	41	1,785,448	2,155,752	41	1,351,595	96	1,193,944	10	118,149	..	..
Nova Scotia	37	178,070	204,624	12	100,575	43	41,853	2	26,764	..	..
Newfoundland	28	108,200	248,154	3	33,647	25	25,357	..	..	..	..
Maine	180	1,306,608	2,007,921	34	481,818	132	1,278,354	14	247,749	..	..
New Brunswick	52	628,321	776,579	6	187,326	46	589,233	..	..	..	..
Prince Edward Island	6	11,179	30,932	1	4,999	5	25,933	..	..	..	..
Alberta	78	749,450	754,250	13	216,300	58	508,850	7	29,100	..	..
Saskatchewan	129	712,522	1,100,025	12	157,133	106	893,763	11	49,129	..	..
Total 1927	2,182	\$24,420,941	\$34,461,595	502	\$15,347,401	1,544	\$16,566,799	136	\$2,547,395	..	..
" 1926	2,196	\$25,668,509	\$37,082,882	527	\$16,465,754	1,548	\$17,320,905	121	\$3,296,223	..	..
" 1925	2,371	\$26,651,834	45,767,825	563	24,046,514	1,683	19,514,049	115	2,207,262	..	..
" 1924	2,474	47,937,427	64,530,975	625	36,542,658	1,720	21,324,089	120	6,044,228	1	\$100,000
" 1923	3,247	46,833,195	70,000,000	747	37,913,829	2,319	31,339,763	136	2,671,277	1	18,000,000
" 1922	3,695	63,097,159	78,065,059	857	39,080,941	2,171	33,025,503	121	5,983,965	..	222,000
" 1921	2,411	57,158,397	79,229,111	559	33,973,790	1,730	29,886,569	153	9,435,752	1	4,233
" 1920	1,978	41,569,516	26,494,301	255	15,871,216	771	20,404,505	62	2,918,580	..	..
" 1919	2,198	10,741,441	16,256,259	213	10,234,477	494	4,475,628	48	1,546,154	..	..
" 1918	873	11,251,341	14,502,477	232	8,248,807	590	5,142,397	1	1,111,273	..	..
" 1917	1,097	13,051,900	18,241,465	261	7,455,094	777	8,177,239	9	2,369,132	..	..
" 1916	1,685	19,670,542	25,069,534	363	8,796,646	1,237	12,290,365	85	3,982,520	..	..
" 1915	1,661	39,526,358	41,162,321	655	13,877,414	1,888	21,690,390	118	5,558,017	1	150,000

Thus, the manufacturing defaults were fewer in number by 25 than in 1926, and the indebtedness decreased about \$1,100,000, while a slight decline in the number of trading insolvencies was accompanied by a contraction in the liabilities of approximately \$750,000. Among agents, brokers, etc., the number of failures increased somewhat, but the indebtedness fell off by \$750,000.

CANADIAN FAILURES BY BRANCHES OF BUSINESS
THREE YEARS

Manufacturers	1927		1926		1925	
	No.	Liabilities	No.	Liabilities	No.	Liabilities
Iron & Foundries	8	\$433,703	4	\$29,216	9	\$1,343,000
Machinery & Tools	19	246,274	24	1,032,100	42	600,600
Woolens, Carpets, &c.	6	338,806	5	121,800	4	274,600
Cotton, Hosiery, &c.	..	..	..	..	..	..
Lumber & Carpenters	107	4,622,537	80	2,636,850	71	3,444,142
Clothing & Millinery	74	898,890	98	2,457,752	94	1,486,215
Hats, Gloves & Furs	13	157,500	7	869,826	13	276,155
Chemicals & Drugs	12	81,851	12	122,712	18	400,216
Paints & Oils	1	5,016	1	2,250	3	169,906
Printing & Engrav'g	19	221,624	14	243,758	17	460,988
Milling & Bakers	25	209,995	32	308,177	35	57,000
Leather, Shoes, &c.	18	226,586	13	398,500	22	3,442,128
Liquors and Tobacco	6	512,823	4	181,700	9	166,982
Glass & Earthenware	8	500,356	9	275,700	9	461,100
All Other	186	6,799,287	224	7,591,813	217	10,946,422
Total Mfg.	502	\$15,347,401	527	\$16,465,754	563	\$24,046,514
Traders	..	..	..	..	..	..
General Stores	199	\$2,328,855	199	\$2,661,312	233	\$2,537,052
Groceries & Meats	395	\$2,082,119	390	\$2,017,048	391	2,433,675
Hotels & Restaurants	106	700,111	110	1,074,883	100	918,607
Liquors and Tobacco	27	112,127	25	89,269	44	366,118
Clothing & Furnish'g	190	2,161,323	181	2,220,786	189	2,212,793
Dry Goods & Carpets	142	2,222,385	137	1,962,008	136	2,686,367
Shoes, Rub. & Trunks	69	816,072	69	1,559,016	110	1,373,866
Furniture & Crockery	30	528,485	27	299,706	29	505,198
H'ware, Stov. & Tools	44	676,822	67	897,000	56	759,823
Chemical & Drugs	38	269,040	37	256,800	28	220,154
Paints & Oils	1	177,028	39	245,581	43	228,756
Jewelry & Clocks	41	206,041	13	62,100	22	149,435
Books and Papers	14	206,041	13	62,100	22	149,435
Hats, Furs & Gloves	12	295,670	16	246,100	12	318,400
All Other	238	3,989,256	237	3,663,796	290	4,983,800
Total Trading	1,544	\$16,566,799	1,548	\$17,320,905	1,693	\$19,514,049
Agents & Brokers	136	2,547,395	121	3,296,223	115	2,207,262
Total Commercial	2,182	\$34,461,595	2,196	\$37,082,882	2,371	\$45,767,825

Trade Conditions in Saskatchewan

A REPORT prepared and issued by the Regina office of R. G. Dun & Co. states that business in Saskatchewan has been satisfactory, on the whole. Somewhat unsatisfactory weather conditions have been a drawback, making operations behind the customary schedule, but sales in most lines last year showed a small increase. Collections were somewhat slow, yet a considerable amount of indebtedness was liquidated.

Both wholesale and retail dealers in automobiles and accessories have done well, and the outlook in this field is considered favorable. A good deal of construction has been carried on in Saskatchewan during the last two or three years, and this naturally has had a beneficial effect on business in building material. In the country districts considerable numbers of new farm buildings have been erected, while many houses have been put up in the cities. In the farm implement trade, sales last year are estimated to have been 15 to 25 per cent. above those for 1926, and dealers expressed confidence in prospects for 1928. Collections during the early Fall were rather disappointing, but conditions recently have improved somewhat and payments are now reported to be equal to the record for 1926, which was satisfactory.

Clothing merchants appear to be gradually increasing their orders, and business in certain departments showed a small increase last year. Lower prices for women's dresses seem to be stimulating

demand in this branch of trade. On the whole, the situation in footwear has been better, both from the point of view of sales and collections. In rubber footwear, demand has been in excess of available supplies.

New Organizations in Textile Trades

LEADERS in the wool goods industry held a meeting here on Tuesday and voted to proceed with the organization of a Wool Institute, similar to the organization perfected in the cotton goods trade and known as the Cotton Textile Institute. Committees have been appointed to prepare the form of organization and select a leader to head the new institute.

The dry goods wholesalers of the country have been invited to attend meetings that are to be held here during the coming week to perfect the organization of a national wholesale dry goods association, for which a director-general has been selected. The Southern Wholesale Dry Goods Association and the National Wholesale Dry Goods Association will merge their membership in the new body, and all other wholesalers have been invited to join the new association.

Last week, the cotton duck manufacturers held a meeting and decided to perfect a statistical reporting organization. The Converters' Association at their annual meeting urged further co-operation with finishers, manufacturers and wholesalers, and the Finishers' Association is planning a drive for membership that will include as many independent finishers as may be induced to come into the established organization.

In addition to these movements, a Rayon Institute has come into being, and work is progressing in the South looking toward the organization of a large mill merger. Several finishing plants in and around New Jersey are being approached for the purpose of forming a large merger of dyers and finishers.

Favorable Indications in Shoe Trade.—The shoe trade in various sections of the country has not started up, but prospects appear to be good. Style shows are engaging attention at Boston and Chicago, and will be followed by the annual convention of the Shoe Manufacturers' Association here later in the month. It is reported that many buyers attended the Boston exhibit, with more than the usual amount of orders placed. It is believed that buyers will not delay Spring purchasing after examination of styles, etc., owing to the continued rapid and excited advances in hides and skins. Locally, conditions have remained slow, but there are signs among some of the Brooklyn factories turning out women's high-grade footwear of increased trading to come. Some plants have taken more orders, starting in almost immediately after the turn of the year. Producers of slippers and stitchdowns are not doing much here, but may have taken some orders at the recent Boston show.

Cotton Supply and Movement.—From the opening of the crop year on August 1 to January 6, according to statistics compiled by *The Financial Chronicle*, 10,171,178 bales of cotton came into sight, against 12,933,967 bales last year. Takings by Northern spinners for the crop year to January 6 were 793,865 bales, compared with 1,103,847 bales last year. Last week's exports to Great Britain and the Continent were 186,491 bales, against 323,455 bales last year. From the opening of the crop season on August 1 to January 6, such exports were 3,897,093 bales, against 5,692,407 bales during the corresponding period of last year.

Knitters of hosiery and underwear have been ordering more rayon for future delivery than either cotton or silk fabric manufacturers.

MONETARY EASE RULES IN 1927

Comparatively Low Rates Prevail, Though Temporary Flurries Occur—Gold Exported

PRONOUNCED ease prevailed in the New York money market throughout 1927, with the exception of temporary flurries around the quarterly financing dates of the United States Treasury Department and the times at which the banks were accumulating funds for the disbursement of large amounts of corporate dividends and interest. Almost throughout the year rates were on a lower level than in the corresponding periods of 1926. Unusual stability also was a feature of last year's money market. From the first to the last of November, for instance, call money held at an unbroken rate of 3½ per cent., and there were other occasions during the year when the rate varied almost as little.

The ease persisted despite a rise in collateral loans to their highest level on record, and an outward flow of gold from this country which began in September and which eliminated the heavy import balance that had been accumulated earlier in the year. Gold was exported in large amounts to Brazil and Argentina, and more moderate amounts went to England, Belgium, Holland, Sweden, Poland and to various parts of the Far East. At the same time, gold imports, which had been coming to this country from many parts of the world at the start of the year, ceased almost entirely. Activities of the Federal Reserve banks offset the loss of gold, and held the money market stable. The Reserve banks bought large amounts of securities every time that a stringency appeared, and thus placed new funds into the market. The brokers' loans, as reported both by the New York Stock Exchange and the Federal Reserve authorities, increased steadily all year, and late in December the Federal Reserve total stood at the record-breaking total of more than \$3,644,000,000. This was not entirely due, however, to loans for stock market purposes, as large amounts were borrowed for the temporary carrying of new securities which were brought out in unprecedented quantities and which were "carried" by the banks until their ultimate distribution to investors. Funds were in supply during virtually all the year, being placed in New York in large quantities by out-of-towns banks. In addition, many of the large corporations kept portions of their liquid funds loaned out in the call money market, contributing to the easy rates.

In the following table are given the call money rates on the New York Stock Exchange during 1927, by weeks:

Week Ending	High	Low	Week Ending	High	Low	Week Ending	High	Low
January 8.. 5 4 1/4	5 4 1/4	4 1/4	May 7.. 4 1/2 4	4 1/2 4	3 3/4	September 3.. 3 1/2 3 1/2	3 1/2 3 1/2	3 1/2 3 1/2
" 15.. 4 1/2 4	4 1/2 4	4	" 14.. 4 1/2 4	4 1/2 4	3 3/4	" 10.. 4 1/2 4	4 1/2 4	3 3/4
" 22.. 4 1/2 4	4 1/2 4	4	" 21.. 4 1/2 4	4 1/2 4	3 3/4	" 17.. 4 1/2 3 1/2	4 1/2 3 1/2	3 1/2
" 29.. 4 4	4	4	" 28.. 4 1/2 4	4 1/2 4	3 3/4	" 24.. 4 4	4	3 3/4
February 5.. 4 4	4	4	June 4.. 4 1/2 4 1/4	4 1/2 4 1/4	4 1/4	October 1.. 4 3 1/2	4 3 1/2	4 3 1/2
" 12.. 4 4	4	4	" 11.. 4 1/2 4	4 1/2 4	4	" 8.. 4 1/2 4	4 1/2 4	4
" 19.. 4 1/2 3 3/4	4 1/2 3 3/4	3 3/4	" 18.. 4 4 4	4 4	4	" 15.. 4 1/2 4	4 1/2 4	4
" 26.. 5 3 3/4	5 3 3/4	3 3/4	" 25.. 4 4	4	4	" 22.. 4 1/2 3 1/2	4 1/2 3 1/2	3 1/2
March 5.. 4 1/2 4	4 1/2 4	4	July 2.. 5 4	5	4	October 29.. 3 3/4 3 1/2	3 3/4 3 1/2	3 1/2
" 12.. 4 4	4	4	" 9.. 4 1/2 4	4 1/2 4	4	" 12.. 3 1/2 3 1/2	3 1/2 3 1/2	3 1/2
" 19.. 4 3 1/2	4 3 1/2	3 1/2	" 16.. 4 4	4	4	" 19.. 3 1/2 3 1/2	3 1/2 3 1/2	3 1/2
" 26.. 4 1/2 4	4 1/2 4	4	" 23.. 4 3 1/2	4 3 1/2	3 1/2	" 26.. 3 1/2 3 1/2	3 1/2 3 1/2	3 1/2
April 2.. 4 1/2 4	4 1/2 4	4	August 6.. 4 3 3/4	4 3 3/4	3 3/4	November 5.. 4 3 1/2	3 1/2	3 1/2
" 9.. 4 1/2 4	4 1/2 4	4	" 13.. 3 3/4 3 3/4	3 3/4 3 3/4	3 3/4	" 12.. 3 1/2 3 1/2	3 1/2 3 1/2	3 1/2
" 16.. 4 1/2 4 1/4	4 1/2 4 1/4	4 1/4	" 20.. 3 3/4 3 3/4	3 3/4 3 3/4	3 3/4	" 17.. 4 4	4	4
" 23.. 4 1/2 4	4 1/2 4	4	" 27.. 3 3/4 3 3/4	3 3/4 3 3/4	3 3/4	" 24.. 5 5	5	5
" 30.. 5 4	5	4	" 30.. 4 3 1/2	4 3 1/2	3 1/2	" 31.. 5 1/2 5	5 1/2	5
Year, 1927.. 5 1/2 3 3/4	5 1/2 3 3/4	3 3/4	Year, 1924.. 6 2	6	2	Year, 1921.. 9 3 1/2	9 3 1/2	3 1/2
" 1926.. 6 2	6	2	" 1923.. 6 3 1/2	6 3 1/2	3 1/2	" 10.. 4 1/2 4	4 1/2	4
" 1925.. 6 2	6	2	" 1922.. 6 2 3/4	6 2 3/4	2 3/4	" 17.. 4 4	4	4
						" 1919.. 30 2	30	2

The call money rate started the year at 5 per cent., which compared with 6 per cent. at the beginning of 1926, and quickly receded to a level of from 4½ to 4 per cent. For weeks at a time, the rate never varied from 4 per cent. Whenever the rate tightened as a result of special operations, recessions quickly followed as new money poured into the market. In the middle of August, the call loan rate went to 3½ per cent. and remained there practically for a month. In December, some tightness appeared, first as a result of the quarterly tax collections and the Treasury financing and later in preparation for the year-end settlements. Late in December, the rate went to 5½ per cent., its highest of the year. This was regarded purely as a seasonal development. The lowest rate of the year was 3½ per cent., and several

times outside loans were available at 3 per cent. Similar conditions of ease prevailed in the time money market, in commercial paper and in bankers' acceptances. The New York Federal Reserve Bank's rediscount rate started the year at 4 per cent., a holdover from the previous August. On August 4, the rate was reduced to 3½ per cent., where it remained for the balance of the year.

Notable Year In Foreign Exchange

THE year 1927 in the foreign exchanges was chiefly notable for the lifting of more than half a dozen European currencies to levels above parity, and the flow of gold from the United States to Europe and to South America, coincident with the posting of new high rates. No other year since the outbreak of the war has produced so much in the way of striking movements of rates, and in none since the pre-war days has the foreign bill market been in as healthy a condition as in the closing days of last year. This situation reflects a general world movement toward stabilization, marked by the addition of several countries to the list of those operating under the gold standard. Improved economic conditions on the Continent and loans to various countries by American bankers for the purpose of stabilizing currencies combined to bring about the consistent strength in the market. The settlement of the British coal strike in the early months of the year was, perhaps, the biggest factor in the rehabilitation of the pound sterling, and its effect upon other bills. Those countries whose currencies went above their parity with the dollar were Great Britain, Belgium, Denmark, Sweden, Holland, Switzerland and Germany. The same condition also applied to South America, where the Argentine, Colombian, Chilean and Uruguayan rates crossed par, and gold flowed to these countries from New York.

Late in December, Italy officially announced the return of the lira to the gold standard, backed by an international banking credit of \$125,000,000, of which \$75,000,000 was furnished by the principal central banks of the world, including the Federal Reserve banks of the United States, and \$50,000,000 was advanced by private bankers in New York and in London. Under the new program, the lira is valorized at 19 to the dollar. This action left France the only important country of Europe which has not returned to the gold standard. The French franc, however, was semi-officially "pegged" virtually all year, and it is expected that French stabilization will be officially proclaimed during 1928.

The year opened in quiet strength, with rates uniformly steady for the first three months. Thereafter, with the coal strike settled, the British pound led the Continentals steadily higher, month by month. The Far Eastern exchanges were irregular, the Japanese yen being subjected to repeated selling. Chinese currencies were strong throughout a greater part of the year. The Indian rupee showed marked strength. The South Americans gave the best account of themselves in the Autumn. The Mexican peso advanced from a low level of the year of 46.40c. to 48.675c. The Canadian dollar fluctuated with the seasons, selling at times at a premium and on other occasions at a discount, which caused a considerable flow of gold back and forth between the United States and the Dominion.

Building Industry at Philadelphia

PHILADELPHIA.—During the past six months there has been a decrease in the building industry in this district, and since January 1, 1927, the decline has been approximately 5 to 10 per cent., as compared with the record of 1926. Cost of labor is about the same as it was a year ago, but cost of material is lower by fully 10 per cent. At present, work is highly competitive and the market favors the buyer.

International Paper Company has changed the date to February 15 on which the quarterly dividend of 60c. on the common is payable and the stock of record date to February 1.

During the first eleven months of 1927 sales of twenty-eight leading chain stores amounted to \$936,464,128, against \$809,229,900 for the same period in 1926, an increase of 15.7 per cent.

STOCK MARKET MAKES RECORDS

Trading Unprecedentedly Large and New High Prices Established in 1927

THE year 1927 in the stock market was the greatest in several respects in the history of Wall Street. The general level of prices advanced to the highest on record, and transactions were the largest ever known. December, incidentally, was the biggest in the history of the Exchange in point of activity. The collateral loans made to carry stocks and bonds rose to their maximum. It was a bull market practically from the first of the year to the last. On a few occasions, reactions occurred and several times active liquidation got under way, but these periods were all short-lived and the upward movement was quickly resumed. Competent market statisticians calculated that the average price of the active leaders of the market advanced 40 points on the year, and an aggregate of more than \$4,000,000,000 was added to the value of 216 selected stocks, divided into groups of 17 representative classes, which is considered an accurate gauge of the market. In only two months, May and June, were there decreases in the compilations of these aggregate values. The greatest group gain was in motors, with public utilities second. Railroads also increased in stock values, but to a much smaller extent than the two leaders.

The market started the year with a narrow range, a slight decline occurring late in January. Strength and activity prevailed in February and March, followed late in April by the first severe break of the year. The market quickly turned strong again, however, and rose to new high records until June 14, when the widest break of the year developed. A sharp rally followed, and in two days all the loss had been recovered. On August 3, the market broke, but a rally promptly followed. Later in the month, prices again declined as a result of the collapse of a pool operating in Manhattan Electric Supply stock, but the market once more showed its resiliency. The market was strong and active in September, while new high records were established in October. Following some irregularity, the upward swing was resumed in November, and strength and activity continued during December. United States Steel, General Motors, Du Pont and allied stocks, together with a few of the other large industrials and some of the selected railroad stocks, furnished the market leadership throughout much of the year.

The factors that influenced the market during a greater part of the year were the large public participation in the bull market, the stable conditions of trade, the consistent ease in the money market and the record new offerings and redemptions of bonds. The oils and the sugars were the only major groups that did not participate in the upward movement. Those groups were heavy practically all year.

Following are the transactions in bonds, by months, on the New York Stock Exchange, the figures representing par value of sales:

	1927	1926	1925	1924
January	\$381,639,800	\$304,474,100	\$364,022,500	\$328,527,000
February	277,952,300	241,600,900	319,165,300	233,003,000
March	316,780,800	268,780,800	312,570,800	282,490,000
April	303,362,100	305,606,800	276,289,500	281,675,700
May	284,266,100	238,918,900	346,393,900	278,649,000
June	261,310,300	267,198,100	283,703,000	384,411,000
July	215,197,400	214,429,600	264,623,900	344,183,000
August	244,799,600	182,270,900	217,720,600	345,434,700
September	242,290,800	191,872,600	239,753,100	258,131,800
October	254,663,200	227,040,900	261,938,000	292,579,800
November	262,686,600	276,150,300	242,632,800	300,571,200
December	276,616,500	311,340,900	269,522,400	388,251,300
Total	\$3,321,545,500	\$3,029,684,800	\$3,398,345,800	\$3,807,908,400

The transactions in stocks on the New York Stock Exchange are given herewith for each month of recent years, the figures representing shares:

	1927	1926	1925	1924
January	34,255,100	39,088,300	41,430,000	26,857,400
February	44,163,100	35,461,700	32,750,000	20,721,600
March	49,059,800	52,040,100	38,567,000	18,349,200
April	49,635,600	30,223,800	24,835,000	17,921,500
May	46,598,100	23,188,200	36,463,000	13,514,000
June	47,630,000	37,989,500	36,859,000	17,003,100
July	38,492,800	36,731,600	32,272,000	24,318,200
August	51,056,600	44,189,400	32,865,000	21,509,000
September	51,917,900	36,903,700	36,885,000	18,184,900
October	50,458,900	40,212,800	63,423,000	18,333,000
November	51,356,100	31,182,600	45,980,000	41,657,100
December	62,367,000	41,891,500	42,876,000	42,875,900
Total	576,991,000	449,103,200	442,205,000	281,544,900

Dividends declared for payment in December amounted to \$366,114,552, against \$367,569,006 in November and \$185,461,969 in October.

Trade Conditions at Milwaukee

MILWAUKEE.—The larger department stores had the usual Christmas trade, reporting an increase over the volume attained in 1926, and there was every indication of an active holiday trade, although some of the smaller stores, specialty shops and neighborhood shops reported business as not better than fair. This was due largely to unseasonable weather, which affected certain lines.

In industry, there has been a decline in the number of workers, compared with the record for the same period a year ago, and this pertains especially to unskilled labor, both female and male, of which there is a surplus. Building operations are holding up very well, and permits for the year are making a new record. The warm, soft weather has kept outdoor building labor employed beyond the customary period.

Perhaps the outstanding feature in industry is the increasing evidence of a large volume of business and contracts already booked and closed for 1928. Either this feature is receiving more attention than usual or commitments are being more freely made, with a disregard of the customary postponement after the first of the year. This is true of the large industrial plants devoted to machinery, engines, agricultural implements, including tractors, large oil companies and building operations. There also is an improved outlook for the packing and leather industries, and concerns devoted to agricultural requirements have had an improved year.

The Central National Bank in its statement as of December 31, 1927, shows a gain in deposits of 50 per cent. over those of the previous year and an increase of 40 per cent. in total resources. The bank began business in January, 1926. Total deposits are in excess of \$10,000,000, and resources more than \$14,000,000.

Total new paid-for business in 1927 reported by the New York Life Insurance Company, exclusive of dividend and all other additions, was \$927,000,000. This is the largest record of new business obtained in any year in the company's history of eighty-three years and is \$27,000,000 in excess of the total for 1926. The total amount of insurance in force on December 31, 1926, was \$6,285,800,000.

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QUIETER YEAR IN STEEL TRADE

Large Production During the First Half Followed by a Recession—Prices Irregular

THE year 1927 in iron and steel was marked by a substantial production, particularly over the first half, though the third and fourth quarters showed less activity. Up to June, ingot output, as tabulated by the American Iron & Steel Institute, reached 23,618,441 tons, comparing with 46,936,205 tons for the entire year 1926. In July, last year, signs of a recession became apparent, followed by a slight spurt during August, but succeeding months again indicated losses and for the year ingot output dropped approximately 8 per cent. From the standpoint of production, this record was not so unfavorable, but in financial returns the period was disappointing to various independent units, finished steel prices not allowing any wide margin. The year, however, closed with a firmer tendency, in anticipation of higher levels in 1928. Demands were somewhat spotty, heavier steel materials, such as plates and structural shapes, not reaching a normal volume. Tinplate also lacked activity, and sheet requirements were rather irregular over some months. Returns for November, on the other hand, showed a change for the better.

Pig iron lacked strength over the major portion of the year, and the merchant market during the last half was dull and easy. Active blast furnaces by December were in number less than 50 per cent., the year's total showing a loss, contributed mainly over the third and fourth quarters. The first half, however, had a production of 19,430,678 tons. For the entire year, pig iron output is estimated at about 36,400,000 tons, against 39,400,000 tons for 1926.

Price averages on pig iron reached the lowest level in over a decade, Bessemer iron at Valley furnace dropping to \$17.88 for November and being quoted down to \$17.75 during December. Basic iron averaged down to \$17, Valley furnace, or 50c. per ton under the lowest figure during 1926. For 1926, the year's average on pig iron had been \$20.42. The composite price on finished steel products likewise registered a decline last year, falling to 2.307c. per pound by December 15, though a revision in sheet quotations at an advance of \$2 per ton, and other changes, brought about an upward swing. The departure from the Pittsburgh basing plan resulted in a further spread in quotations, particularly at Eastern points.

Fuel was depressed over most of the year, and the protracted strike of bituminous miners did not affect output sufficiently to strengthen prices. The growth of by-product coke output has been such that Connellsburg district operations lack the full significance of former years, though it is noted that output in this district for 1927 was practically the lowest on record. Furnace coke at the opening of the year was quoted at \$3.75 and \$4, at oven, and at the close was priced at \$2.75, at oven, with distress tonnages selling under this figure.

In the following table, compiled from statistics published by *The Iron Age*, is given the monthly output of pig iron, in gross tons, for the last four years:

Month	1927	1926	1925	1924
January	3,103,820	3,316,201	3,370,336	3,018,890
February	2,940,679	2,923,415	3,214,143	3,074,757
March	3,483,362	3,441,986	3,564,247	3,446,086
April	3,422,226	3,450,122	3,258,956	3,233,428
May	3,390,940	3,481,428	2,930,807	2,615,110
June	3,089,151	3,255,457	2,673,457	2,026,221
July	2,981,160	3,223,338	2,684,000	1,784,809
August	2,947,276	3,200,478	2,694,478	1,884,445
September	2,774,949	3,136,293	2,726,198	2,553,264
October	2,784,112	3,334,132	3,023,370	2,477,127
November	2,648,376	3,236,707	3,023,006	2,509,673
December	2,895,755	3,091,060	3,250,448	2,961,702
Year	36,232,306	39,070,470	36,403,470	31,088,302

During the last quarter of 1927, new stocks to the aggregate value of \$1,311,498,333 and new bonds to the value of \$1,271,551,500 were added to the trading list of the New York Curb Market.

December offerings of new bonds totaled \$659,270,600, against \$600,356,000 in November and \$787,738,000 in October. The total for the year amounted to \$6,957,809,700.

Canada's foreign trade in 1927 is estimated at \$2,338,000,000, against \$2,291,000,000 in 1926. Exports amounted to \$1,248,000,000 and imports to \$1,000,000,000, leaving an approximate favorable trade balance of \$158,000,000.

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UNUSUAL YEAR IN HIDE TRADE

Notable Advances in Prices, Due Primarily to World-wide Scarcity of Supplies

THE hide and skin markets during 1927 displayed exceptional strength. The upward trend of prices was particularly marked during the latter part of the year, when there were reports of a world-wide shortage, and buying by tanners increased. The general average advance on domestic packer hides, taking into consideration about all descriptions, was some 10c. per pound from rates that prevailed at the close of 1926. Native steers, then selling at 15c., rose to 25c., Colorado (side branded) steers from 14c. to 24c., and branded cows, closing in December, 1926, at 12½c., subsequently brought 22½c. The same ratio prevailed on country hides. Extremes, selling in December, 1926, at 13c., brought 23c., and about the same 10c. difference ruled for Argentine frijorifico steers, which advanced from about 18c., c&f. sight credit equivalent basis per pound, to around 28c. late last year.

There were periods throughout 1927 when the upward rush of prices was checked and slight reactions set in, but the scarcity of offerings served to prevent any serious slumps. Following each of these, prices rose to still higher levels. There was one variety, however,—packer light native cows—that reached its top point of 24c., in August. About that time, patent leather sales decreased materially, and this caused a fall in the price of packer light native cows to 20c. Later, they recovered, and reached 23½c. In February, the first marked indication of limited supplies brought about a phenomenal advancing trend. A big demand for patent leather prompted tanners to enter the market for country extremes and other lightweight hides in a large way. Stocks were quickly absorbed, and prices soared. Although the call centered principally on the light end, heavier weights responded to the general strength, owing to an absence of supplies of account. Heavy cows, 60 pounds and up, which had hardly been wanted at as low as 9c., were scarce at 20c. late in December.

Another big factor in the bull market of the year was the steady and regular export outlet. Any lines showing a tendency to lag behind world levels, because of a lack of demand here, were quickly absorbed by exporters. An illustration of this condition appeared in kipskins. With some decline in the demand for patent leather in the Fall, European buyers pushed the market for kips beyond the basis that domestic tanners would pay. The trend of the demand for certain lines of leather caused some small fluctuation and disproportion of prices for some lines of raw stock, but the general average of an 80 per cent. advance prevailed for about everything from December, 1926, to the close of 1927. Calfskins lagged somewhat during the first nine months of last year, but picked up rapidly in the last quarter, to score the same increase as other lines. Chicago cities at the close of 1926 were selling at 17c., but sold at better than 27c. in December, 1927. The chief influence in the phenomenally strong market for hides was the actual scarcity in world markets, partly explained by a reduced consumption of meat.

Improvement in Leather Situation

THE continuation of the policy of curtailment of production on the part of tanners, coupled with an increased demand for their product, was responsible during 1927 for the most profitable year experienced in the leather industry since 1919. Stocks of leather early in the year had been brought down to relatively small proportions, but it was not until fairly late in the Spring that business started to show material improvement. Raw hide prices commenced to stiffen in late February and March, but it was several months afterward before tanners, in general, fully realized the fact that fewer hides were being offered for sale all the time, despite the curtailed tanning. Hides had risen quite appreciably before leather prices even began to move upward. In fact, very little confidence was manifested in the advance in either raw or finished material until it had grown to unusual proportions, as for five or six years the trade had become inured to spasmodic spurts in raw hides, inevitably followed by slumps. All late statistical data, however, tend

to prove that there was a world-wide increase in the consumption of leather during 1927. Shoe production in the United States will probably show a gain of about 9 per cent., as for the first ten months 21,000,000 pairs more had been made than for the same period of 1926. An influence of much importance, also, was that substitutes for leather, especially composition soles, were even less of a factor than in 1926, notwithstanding the material price advance in genuine leather.

The rise in prices from the low points of the year was well distributed throughout all varieties of sole, belting and harness leather, and especially in such varieties of shoe upper stock, including patent, as are produced from hides. Calf leather was rather slow to get started, but developed particular strength during the latter end of the year. Goat and sheep leather did not participate in such a spectacular manner in the rather excited conditions displayed in other varieties. Some idea of the extent of the rise in prices is shown in the following instances: Sole leather backs, which early in the year were 40c. per pound, or slightly below that figure, rose to 58c. Belting butts advanced from 56c. to 75c., and oak harness sides from 43c. to 55c. Certain grades of men's cut soles went up 20c. per pair. In sole and belting leather offal, the greatest increase was in shoulders. Double rough shoulders moved from around 40c. up to 50c., and single shoulders of best descriptions from 35c. up to 45c. Belts, however, did not gain more than 3c.

Notwithstanding exceptional conditions in hides, and to some extent in leather, the year 1927 in the shoe industry was not particularly noteworthy. In fact, most advances from individual manufacturers, especially during the first six months of the year, failed to bear out the government reports of increased production. This was partially explained by the statement that much of the business centered with the big producing houses, and those tanning as well as making shoes were big buyers in the hide market.

Spring business in shoes developed rather late. In women's lines, light colors in calf and kid failed to sell up to expectations, and the big run during the year, as a whole, was on patent, giving way toward the close to suede. Styles were plain, even plainer than in 1926, which was marked as a year of plain effects. Lasts were simple; in women's lines, oxfords, pumps and low cuts sold almost exclusively. Wellington and Russian boots were wanted very infrequently, at the best. During the forepart of the year, reptile leathers were popular, but the demand for these eventually subsided. Men's shoes sold steadily, without particular feature. The trend for these, the same as for women's wear, was more to low cuts, irrespective of season, and styles were very plain.

Syracuse Building Trade Active

SYRACUSE.—The local building industry is about as active as it was a year ago at this time. That is, as far as one and two-family residences are concerned. There is, however, at this time an increased number of apartment houses under construction, as compared with the record of a year ago, and the tendency seems to be that houses of two, three and four-room apartments will get more attention from builders during the coming year than they have in the past or previous years. Syracuse at the present time is enjoying considerable special construction, such as hospitals, schools and office buildings, all of greater money value than any similar structures in the past.

There seems to be sufficient permanent first mortgage money available, most of which at the present time is being placed by life insurance companies and out-of-town banks. Most of the permanent loans made through the banks and insurance companies are at 6 per cent. interest, although where amortization is agreed to, slight reductions from 6 per cent. down to 5½ and 5⅓ per cent. are made. Second mortgages at medium to high rates of discount are finding buyers without much difficulty. Temporary loans are obtainable readily at rates running from reasonable to high, according to the source from which the money comes and what the traffic will bear.

The building materials market shows a slight break in prices, although demand apparently is holding up. Sufficient labor is available to meet requirements.

TEXTILE TRADES GAIN IN 1927

Year not Especially Prosperous, but Conditions Improve—Rayon Industry Expands

ALTHOUGH the textile year of 1927 was not a particularly prosperous one for merchants and manufacturers, it was a better year than 1926, on the whole. Great Spring floods in the lower Mississippi Valley, a prolonged strike in the soft coal industry, a decline in the automobile business, lessened activity in the steel industry, a decrease in the cotton yield of approximately 5,000,000 bales and exceptionally erratic weather conditions at different times were influences that unsettled merchandising in many directions.

The record cotton yield of 1926-27 led to a very large volume of cotton goods trading and intensive production until the last two months of the year, when curtailment became necessary and wage reductions in northern New England mills were announced. Silk consumption in this country made new high records, but, owing to financial conditions in Japan, raw silk reached the lowest price level in several years. A rayon production of 5,800,000 pounds ten years ago had risen to 75,000,000 pounds in this country during the last year, and the immense product was fully consumed.

The wool industry, which had gone through three very severe years, began to show signs of recovery before last June, and since then it has made steady progress, helped, in part, by a rise in world wool markets. Burlap prices held high, and bag consumption in this country was restricted, while the year was notable because of the unusually large shipments of burlap from Calcutta and from this market to South America. Linen markets were held back by the very high costs of production abroad, due to conditions in flax. There were three very large auction distributions of carpets and rugs during the year, by one factor, and two of these auctions were held in the last quarter of the year. Many notable changes were made in merchandising methods in the primary and wholesale markets, while mill-to-consumer distribution was further increased by the extension of business in catalog houses and chain stores.

The swing of prices in cotton goods markets is illustrated by the movement of 38% in. 64 x 60, a standard print cloth number, throughout the year. Opening at 6 1/4c., the price had advanced on March 15 to 7c., and a month later was back to the opening price. By September, it had reached 9 1/4c., the high point of the year, and on December 15 had dropped back to 7 1/4c., from which level it rose moderately to the end of the year. More than in any preceding year, the merchandising of cotton goods followed the price fluctuations in raw cotton. When the year opened, New York middling spot were quoted at 12.80c., the lowest basis of the year, and rose moderately to the end of April, when it was quoted at 15.30c. By that time, it was apparent that there was to be a large reduction in acreage, which eventually amounted to 20 per cent., and by August a very strong speculative movement was under way. In that month, the spot price advanced 5c. a pound, from 18.25c. to 23.25c. On the day before the September cotton report was issued, it had touched 23.90c., the top point of the year, but ten days later it was down to 20.55c., and went as low as 19.40c. on December 16.

In the first nine months of the year, cloth sales ran ahead of the very large production, but there was a sharp drop from that time until the middle of December, with the result that curtailment plans were instituted whereby the output was being lessened 20 per cent. Cotton mills in Maine and New Hampshire reduced wages 10 per cent. Competition for business kept prices very close, especially in the last quarter of the year. Excessive production in wide sheetings, towels, cotton duck and some narrow sheeting lines was noticeable. Ginghams and bleached cottons continued to sell in decreased volume, due to style changes. Printed goods moved in a very large way, notably in the higher-priced qualities. Cotton and rayon mixtures sold freely, and were largely used in the underwear trade.

Although the deliveries of raw silk to American mills broke all records for the first half of last year, prices showed a more or less declining tendency that resulted, during the Fall months, in the lowest prices reported in several years, or below the parity of \$5 per pound for the best Japan

grades. Despite the very great competition from rayon and better-styled dress cotton, silk held a very strong position with consumers, and printed silks, wash silks and many of the crepes sold in very large volume. Velvets were very largely used, especially in the lightweight qualities. The silk trade also developed a desirable fabric for parachute use that has been accepted by the government in preference to imported lines. Silk hosiery continued to sell extensively, but over-production in the low-end numbers led to sharp competition and unprofitable prices. In the latter part of the year, the Japanese Government came to the support of raw silk reellers and began to grant credit to raw silk dealers, so that it is believed now that greater stability in raw silk is insured for the coming months.

Rayon prices had dropped back to the lowest levels ever known in November, 1926, when they were 55c. a pound below any pre-war basis. When last year opened, they had advanced about 10 per cent. and held stable throughout the year, except on a few fine super-qualities where reductions were made because of a largely increased production. The use of rayon spread to all divisions of textiles. The consumption of rayon exceeded the vastly increased production, and at this time it bids fair to continue to grow. In 1926, the rayon output was about 63,000,000 pounds; in 1927, it was estimated at 75,000,000 pounds, with new plants under way and a larger increase being provided for during 1928.

The monthly burlap shipments from Calcutta to North America averaged less for the eleven months of the year ending in November than for 1926 or 1925. There was a lessened consumption in the bag trade and a substantially decreased consumption of jute products for cotton bagging, due to the smaller cotton yield and to the lower price of cotton bags.

There was a very considerable liquidation in the manufacturing branch of the wool industry through the scrapping of machinery and the closing of many small mills, but the year showed a distinct gain in the financial standing of corporations that have weathered the after-war readjustment period. The largest unit of production in the industry showed a decided increase in the variety and volume of its output, an appreciably reduced inventory, and a stronger financial statement. In general, this condition was reflected in the smaller plants, although the year was a most difficult one in many respects. Mild weather in the Fall resulted in an unsatisfactory season in the garment industry. There were considerable gains in the worsted division during the year, yet the dress goods mills were not as well occupied as those producing men's wear. At the close of the year, the prospect for the wool industry seemed to be better than that of any other branch of textiles.

Building Operations at Cleveland

CLEVELAND.—Building construction in this district during 1927 was below the volume of both 1926 and 1925. The decline has been steady over the three-year period mentioned. Some of the new outlying suburbs witnessed considerable activity in construction of dwellings during the past years, and this tended to maintain a better average in the metropolitan district. Warehouse and theater construction was unusually active during the year. There was about the normal building of churches and schools.

The lumber and building supply trades are, generally speaking, rather dull, particularly since the closing down of the Summer and Fall activities. Dealers report competition very keen and prices have a tendency to weaken. Banks and loan institutions have co-operated readily with owners in financing new work and loans are obtainable at normal rates of interest. A rather better outlook is pictured for the present year.

November grain exports were valued at \$48,352,000, against \$65,184,000 in October and \$35,048,000 for the corresponding month last year.

According to government statistics, November shipments of naval stores in November were valued at \$2,613,753, a slight decrease when compared with the \$2,685,205 of the same month last year.

Total imports of American merchandise into China in 1926 show an increase of 31 per cent., compared with those for the previous year, according to returns of the Chinese Maritime Customs.



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The divisional loaning organization which has been in operation at the First Wisconsin for the past seven years makes it possible for several officers to concentrate their interest on a selected group of industries.

Thus the customers in these groups are afforded a three-fold advantage—the personal attention of men who have had time to specialize, the backing of the tremendous resources of this, the largest bank northwest of Chicago, and the complementary service available through our affiliated trust and investment companies.

FIRST WISCONSIN NATIONAL BANK Milwaukee

Capital and Surplus Ten Million Dollars

Pennsylvania Holders Increase

THERE was an increase of 110 stockholders of the Pennsylvania Railroad during December, bringing the total on January 1 to 142,622, compared with 141,202 on January 1, 1927, a gain of 1,420. The average holding on January 1, 1928, was 70.01 shares, against 70.07 on December 1.

On January 1, 48.41 of the stock was held in Pennsylvania, a decrease of 3.02 per cent. New England held 10.57 per cent., an increase of 1.51 per cent. At the beginning of the year there were 72,506 women stockholders, an increase of 1,981. Of total holders, 50.74 per cent. were women.

FRANK G. BEEBE, President SAMUEL J. GRAHAM, Sec'y & Treas.

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UTICA—The Clarendon Bldg.

MONTREAL, CANADA, 13 McGill St.

LONDON, ENGLAND, 8 Frederick's Place

Federal Reserve Banks' Loans Increase Sharply

THE Federal Reserve Board's condition statement on 657 reporting member banks in leading cities as of January 4 shows increases for the week of \$423,000,000 in net demand deposits, of \$95,000,000 in time deposits, of \$198,000,000 in loans and discounts, and of \$40,000,000 in investments, and a decline of \$69,000,000 in borrowings from Federal Reserve banks.

Loans on stocks and bonds, including United States Government obligations, were \$228,000,000 above the December 28 total at all reporting banks, increases of \$180,000,000 being shown for the New York district, of \$24,000,000 for the Philadelphia district and of \$11,000,000 for the Chicago district. "All other" loans and discounts declined \$26,000,000 at all reporting banks, \$15,000,000 in the St. Louis district, \$12,000,000 in the Boston district, \$9,000,000 in the Philadelphia district and \$7,000,000 in the Atlanta district,

DIVIDEND NOTICE

INTERNATIONAL PAPER COMPANY

New York, N. Y., November 29, 1927.

The Board of Directors have declared a regular quarterly dividend of one and three-quarters per cent. (3 3/4 %) on the Outstanding 7% Preferred Stock of the Company, and a regular quarterly dividend of one and one-half per cent. (1 1/2 %) on the Cumulative 6% Preferred Stock of this Company, for the current quarter, payable January 16th, 1928, to holders of record at the close of business December 29th, 1927. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD,
Vice-President & Treasurer.

and increased \$19,000,000 and \$7,000,000, respectively, in New York and San Francisco.

Holdings of United States Government securities, which show a total increase of \$15,000,000 for the week increased \$17,000,000 in the Chicago district and \$6,000,000 in the San Francisco district, and declined \$8,000,000 in the Philadelphia district. Holdings of other bonds, stocks and securities increased \$10,000,000 in the St. Louis district and \$24,000,000 at all reporting banks.

THE NECESSITY OF CREDIT INSURANCE

Credit Insurance begins when your Fire Insurance stops—when your merchandise has left the protection of your four walls and is turned into accounts.

COur new Simplified protective Policy is clearly understandable. It insures all outstanding accounts against abnormal losses. The terms are liberal—yet the cost is moderate.

C You can't afford not to carry Credit Insurance.

Write us

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All Principal Cities

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Safe Deposit & Trust Co.

OF BALTIMORE

13 SOUTH STREET

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Capital, Surplus and Profits, Over \$5,400,000

THIS Company has been acting as Executor, Administrator and Trustee under Wills, Deeds and Corporate Mortgages, and in other fiduciary capacities for over fifty years during which time it has accumulated a vast amount of knowledge and experience in managing all kinds of estates and trusts.

It maintains carefully organized departments for this business.

The policy of giving the same attention to all estates and trusts, large or small, and making in all cases reasonable charges, has been carried out from the beginning, and has proven satisfactory to the many interested in the estates and trusts managed by the Company.

Its officers are always ready to confer with those who need or contemplate using its services.

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Established 1856

THE NATIONAL PARK BANK *of NEW YORK*

214 BROADWAY

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PARK AVENUE and 46th STREET SEVENTH AVENUE and 32nd STREET

To be opened in 1928

MADISON AVENUE and 26th STREET BROADWAY and 74th STREET

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Capital, Surplus and Undivided Profits Over \$34,000,000

